

LOMBARD

Banks' obligation to the public

BY C. GORDON TETHER

THE DISCLOSURE that the big banks are effectively allowing inflation to phase out their cheque card facility so as to minimise their vulnerability to losses arising from its fraudulent use is testimony to their growing inclination to want to have everything their own way in their dealings with the general public.

Indeed, one might argue that it is the best argument that has yet emerged for the acquisition of one of their numbers by the State—always provided that it was clearly understood that the chosen institution's main task thereafter would be to set satisfactory standards rather than to prove that a nationalised bank can hold its own against private enterprise versions in the race for bigger profits.

The effect of the banks' refusal to alter the £50 limit on cheque guarantee cards in line with the fall in the purchasing power of money has been to reduce the real value of the facility to less than half the amount originally envisaged. And if they continue to reject the powerful arguments for up-dating it, it won't be long before it has shrunk to a third.

The banks have endeavoured to justify the down-grading of this facility on the grounds that it is exposing them to "the dangers of fraud from stolen cards and cheque books." But all banking activity inevitably incurs some risks of this kind. And in the absence of any clear-cut evidence that they are such as to justify this drastic decision, what are we to conclude? Is it not that the general run of their customers and the retail trading community are being made to pay, through curtailment of service, for the substantial losses the banks have incurred elsewhere as a result of the policy excesses perpetrated in other fields in the interest of trying to earn bigger and bigger profits?

And that is not the only justification for complaining that the banking establishment is displaying a greater determination than ever to order its relations with the general run of its customers in a blatantly one-sided manner.

The excuse

To all intents and purposes, therefore, they are phasing out this important service. And if you question that, just consider what would have been said about the decision to launch it as a means of encouraging the use of the cheque if the limit had originally been set as low as £10.

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Set standards

In practice to the extent that the market moves against them in such currencies, it is likely by the very nature of things to move in their favour in others. Moreover, broadly speaking, banks can expect to recoup any losses they sustain in foreign exchange by the sale of their own currencies at one time from its subsequent recovery. It is, in short, unreasonable for them to be organising their business with the public in such a way as to incur losses in every deal they transact when, in the vast majority of cases, there won't be any and those there are will be largely cancelled out by gains on other traffic.

The very fact that the banks can indulge with relative impunity in such self-oriented behaviour as that which characterises their approach to the cheque card facility and the transacting of foreign exchange business suggests that over large areas they are as things stand very much a law unto themselves. And that, as I said at the start, can be held to denote that there is something to be said for introducing into their midst an institution that can help to set reasonable standards for them all by allowing the public interest—rather than the maximisation of profits—to be its guide.

Having said that, let me add that most State banks abroad appear to be just as little concerned with being fair to the public as the private enterprise variety. So if it were decided to make use of bank nationalisation to set standards, it would have to be quite clear that this meant that the chosen bank would not have to attach the same importance to "doing well" in the ordinary business sense as its competitors.

RACING BY DOMINIC WIGAN

Steel Heart can win Spillers

TWO HORSES—Steel Heart and Honeyblest—dominate the ante post betting on today's Spillers Stewards' Cup at Goodwood, and I expect them to justify their market position by taking the first two places.

The present favourite, Honeyblest, trained by that expert of big handicaps Doug Smith, is probably the most improved of the 21 runners, having graduated this season from being a useful handicapper to one of the best sprinters in the country.

A 11-length winner from Madriass at Newbury early last month, Honeyblest went on to defeat Monaco Melody comfortably in Newmarket's Hamilton Handicap before landing another highly competitive sprint on the July course—the Fen Ditton Handicap—which he again won with a lot in hand, at the main expense of Fearless Boy. Monaco Melody was third.

On 5 pound better terms for the lengths by which he was beaten in the Fen Ditton, Fearless Boy may make a much closer race of it, but I cannot see him gaining his revenge on Honeyblest.

Steel Heart, who I expect to see backed down to clear Honeyblest.

Goodwood

2.00-Toussaint
2.30-Hayloft**
3.10-Steel Heart
3.10-Good News e.w.
3.45-Beauvallon
4.15-Master Petard
4.45-Spanish Air

REDCAR

2.00-Kathie de Brasmuza
2.25-Nan of Harlech
3.05-Richmond Castle
3.40-Alphadamus***
4.10-Rising Falcon
4.40-Flery Coin

brilliantly ridden French filly, Lianga.

A reproduction of his running there may enable the well drawn Steel Heart—ideally suited by the fast ground—to outpace Honeyblest.

SALEROOM BY MICHAEL THOMPSON-NOEL

Chinese vases fetch good prices

AN £81,575 SALE of Chinese ceramics and works of art was Christie's yesterday was characterised by some determinedly brisk bidding. Nearly every lot was sold, and prices either nudged the upper pre-sale estimates or exceeded them.

Top price of £9,975 was paid by a private buyer for a pair of famille rose mandarin baluster vases and domed covers from the Chien Lung period. They are 52 inches high, and were among four items sent for sale by Mr. Edmund de Rothschild, which fetched a total of £21,735. All four went to the same buyer.

Another pair of famille rose mandarin vases from the same collection, surmounted by seated Buddhist lion finials with blue and green glazes and gilded and enameled, fetched £7,150. The other Rothschild lots, two pairs of famille rose globular fish bowls, brought £2,520 and £2,100.

£3,000 sword

Among 24 pieces belonging to Lord Bessborough which fetched a total of £9,384 were a pair of

court sword decorated in gold lacquer, while a 19th-century dagger made £1,600.

Other leading prices included £1,600 for a late 19th-century sword blade by Tadashiro of Hizen and £1,500 for an item of folding armour made of hinged plates, circa 1750.

Sotheby's also held a £36,897 sale of silhouettes, portraits, miniatures, objects of vertu and Russian works of art in which the top price was £2,400 for a large circular 19th-century Sazky silver and cloisonne enamel dish, and an £18,429 sale of antique books, the second session of which will be held this morning.

Top price yesterday was the £380 paid for a copy of the first edition of Sir Walter Raleigh's *History of the World*, published in 1614 and sold to Ryle Smith.

At Phillips, a sale of furniture and objects of art totalling £21,527, while a sale of 20th-century oil paintings, water colours, drawings and sculpture amounted to £22,054, including £2,100 and £1,150 for two works by Sir William Russell Flint.

WINE BY EDMUND PENNING-ROWSELL

When the French drink champagne

THE SHARP fall in world demand for champagne after a decade of spectacular increase has not only hit hard the pockets of the merchants on the Marne; it has touched their spirit. Why did this sudden fall, first in France and then elsewhere, occur? Could it be that public taste was turning away from the wine the champagne producers believe to be without rival for drinking on any night, before or after meals?

For the fall has been formidable. On the home market 1972's peak figure of 83.4m bottles dispatched from the cellars in 1973 to 75.3m bottles (—10 per cent.) at the end of last year. The export drop came a year later but was much steeper: from a record 44.5m bottles in 1973 to 35.0m bottles (—21 per cent.) in 1974.

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Drinking patterns

So the trade body, the Comité Interprofessionnel du Vin de Champagne, commissioned an affiliate of the French Institute of Public Opinion to survey in January of this year a survey of champagne drinking patterns within France previously carried out in 1967. Nineteen hundred and five people aged over 20 and of every class were each asked up to 20 questions on their current consumption of and attitude towards champagne.

Replies were correlated with similar questions asked eight years earlier. During the intervening period consumption within France had risen by more than 10m bottles a year, so in spite of the recent drop, some evidence of increased demand was expected.

Those interviewed were asked to name three types of alcoholic drink they would prefer when invited out. The answers differed little in percentage terms from the 1967 enquiry. The first choice was a red wine bearing an appellation, followed by champagne (43 per cent.), and then port or a wine-based aperitif. Those who included champagne in their list were asked whether in its absence they would accept another sparkling wine; and twice as many refused as accepted such an alternative.

For the Champenois this was a key question, for they have been increasingly concerned at the expansion, particularly abroad, of other *vins mousseux*. Britain, traditionally the largest champagne market outside France, is the best (or worst) example. In 1965, according to changing regard for champagne among those who had drunk it, most reliable guide to consumption, almost twice as much cham-

pagne was drunk here as other *vins mousseux*—811,000 gallons compared with 411,000. But sales of the latter began to rise complexly that it was most often consumed, it was the "rural communes" that the increase was greatest.

Nevertheless these welcome responses were accompanied by clear warnings that price is an increasingly important consideration; and this is where the Champenois have a role to play. In 1964 they sold less than 4m bottles, but in the luxury year of 1967 their total had reached 23m bottles, and last year was 32.5m (after 35.5m in the 1972 peak).

To-day more than two bottles of champagne out of every five bought within France are sold direct by mail order from grower to private customer—and at a cost of about two-thirds the *grande marque* wine. The latter is likely to be finer, being a careful blend of wines drawn from many sources, whereas the growers make champagne only from his own vineyard.

Increases

Interestingly enough the percentages insisting on champagne has increased in almost all cases compared with 1967. If weddings naturally commanded the highest vote—37 per cent.—against 78 per cent. in 1967, champagne had jumped from 64 per cent. to 79 per cent. and first communion from 61 to 75 per cent. (If the subjects of the first of these two latter family occasions may be reckoned as abstainers, how much do the communicants absorb?) The lowest percentage was for meals with relations: 28 per cent. But then in 1967 only 11 per cent. thought champagne *de rigueur* for such affairs.

The reasons for this increased champagne demand were given by the interviewees with commendable Gallie realism: the rise in the standard of living. Forty-two per cent. gave this as the reason, with, in second place, only 17 per cent. attributing it to the prestige of champagne. The familiar consumer survey question of asking whether they had drunk champagne within the past year was answered affirmatively by 79 per cent., as compared with 70 per cent. in 1967; and it was the younger age groups, 20-34, which showed the highest percentage.

Who were they that had increased their intake of champagne and where did they imbibe it? Whereas the professional, Britain, traditionally the largest champagne market outside France, is the best (or worst) example. In 1965, according to changing regard for champagne among those who had drunk it, most reliable guide to consumption, almost twice as much cham-

No rivals

The conclusions to be drawn from this survey is that as "vin de fête"—and there is no lack of festive occasions—champagne holds a very strong position within France and for social affairs. It has no rivals, least of all other *vins mousseux*. Yet the price counts more and more. The *grande marque* houses are caught in what they call the *circuit de distribution*—stock holding and marketing costs, not least abroad where the growers scarcely penetrate. The merchants' export problems may become clearer as a result of further surveys to be made in Britain, Germany and Italy. They may show quite different drinking patterns and attitudes to champagne, but all, nevertheless, among those who had drunk it, most reliable guide to consumption, almost twice as much cham-

TV Radio

† Indicates programme in black and white.

BBC 1

10.05 a.m. Hector's House. 10.10 Daktari. 1.00 p.m. Cwestiwn Arall. 1.30 Bagpuss. 1.45 News. 2.15 Glorious Goodwood. 2.30 Regional News (except London). 4.25 Play School. 4.50 Kim and Co. 5.15 Brainchild. 5.40 Sir Prancelot. 5.15 News. 6.00 Nationwide. 6.35 The Little House on the Prairie.

5.10 Sutherland's Law. 9.00 News. 9.25 Jocky. 10.35 Going Places. 11.05 Challenge Golf. 11.55 Weather/Regional News. All regions as BBC 1 except at the following times: Wales—5.15-5.40 p.m. Arch Now. 6.00-6.35 Wales To-day. 6.35-6.45 Tom and Jerry. 6.45-7.15 Heddiw. 7.45-8.15 Y Chwilydd. 7.45-8.15 The Royal Welsh. 10.35-11.05 Sporting Chance. 11.55 News of Wales. Scotland—6.00-6.35 p.m. Report.

F.T. CROSSWORD PUZZLE No. 2,841

ACROSS

1 Dramatic revival given a re-run on TV (8)
5 Talk with doctor doing needlework (6)
11 Starting odds ought twice to be on right side (5)
12 Going there and back could make the revolution fall (5, 4)
13 One and only sound family taking part of company's capital (4, 5)
14 Clowder Northern Ireland doctor going to the States (6)
15 Lies are difficult to under-stand (7)
16 More extravagant breeder (7)
17 Boxer gets in a hole... (6)
22... to share Apocryphal book (5)
24 Weapon of a formidable woman (9)
25 Parisienne who started in the south of France (6)
26 Glad to go to West-end to pass out (6)
27 Plants found in southern borders (6)
28 Oceans a single daughter experienced (8)

DOWN

1 Instrument for applying poultice is a nuisance to the French (6)

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HTV

1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Houseparty. 2.05 The Tommy's. 2.10 News. 2.15 Crossroads. 4.01 Report West. 4.25 Report Wales. 4.35 Betty Boop. 4.40 The Franchise. 4.45 The Franchise. 4.50 The Franchise. 4.55 The Franchise. 5.00 The Franchise. 5.05 The Franchise. 5.10 The Franchise. 5.15 The Franchise. 5.20 The Franchise. 5.25 The Franchise. 5.30 The Franchise. 5.35 The Franchise. 5.40 The Franchise. 5.45 The Franchise. 5.50 The Franchise. 5.55 The Franchise. 6.00 The Franchise. 6.05 The Franchise. 6.10 The Franchise. 6.15 The Franchise. 6.20 The Franchise. 6.25 The Franchise. 6.30 The Franchise. 6.35 The Franchise. 6.40 The Franchise. 6.45 The Franchise. 6.50 The Franchise. 6.55 The Franchise. 7.00 The Franchise. 7.05 The Franchise. 7.10 The Franchise. 7.15 The Franchise. 7.20 The Franchise. 7.25 The Franchise. 7.30 The Franchise. 7.35 The Franchise. 7.40 The Franchise. 7.45 The Franchise. 7.50 The Franchise. 7.55 The Franchise. 8.00 The Franchise. 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"The most important art"

by RONALD HOLLOWAY

The Ninth Moscow International Film Festival was full of contrasts. On one side, it's a Ceylon than we are acquainted with, world salute to "the most important art" (Lenin) of this century. Cultural Minister Philipp Yermash, chairman of the festival's organising committee, greeted on opening night 1,500 foreign and Soviet film-makers and delegates from a hundred countries, who would screen 380 films in the festival competition, the shorts and documentary section, and the Children's Film programme. On the other hand, standards of film art bow to "cinema as a reflection of man" in search of new norms of film style and technique more in keeping with the immediate demands of new, emerging film cultures. The feeling here is that national film cultures, such as those of the Third World, should be noted, whereas Cannes and other festivals pay homage to the muse.

The festival has a point. It is indeed warning to note how some Third World countries (for example, Africa) formulate unique cultural expressions in film art, some for the first time without a traditional literary basis. It is also fascinating to watch some cultures draw out subtleties of expression not commonly known to the Western observer: to take the host country as a prominent example, the richness of film Ousmane Sembene's *Kola* (Zaire in various Soviet Republics has yet to be tapped and interpreted for the general public. Every festival has its surprises, but how does one explain the epic proportions of Sri Lanka's a young third wife for show.



Barbara Mullen and Derek Bond in the revival of Agatha Christie's 'Murder at the Vicarage' which opened last night at the Savoy Theatre

The coming season at the Royal Court

Under its new artistic directors, Robert Kidd and Nicholas Wright, the Royal Court is to embark on a season in which young British dramatists are strongly featured. The first play in the autumn season is David Hare's *Teeth & Smiles*, which is about a rock band playing at a May Ball in Cambridge. The leads will be taken by Helen Mirren, David King and Jack Shepherd. David Hare himself will direct, and the designs are by Jocelyn Herbert. Previews from August 23; opening date September 2.

Next comes Howard Barker's new play *Strapwell* (presented in association with Michael Codron). In this, Michael Codron plays a judge who makes a decision to live a moral life in the teeth of difficulties. Constance Cummings will also be in the cast; the director is Chris Parr, the designer, Bob Kingswood. It will open in the week of October 6.

Edward Bond's new play, *The Fool*, follows, directed by Peter Gill and designed by William Dudley. The opening date will be in mid-November. *How Mad Tuloch Was Taken Away*, a first play by John Morris which won its author the George Devine Award comes next, after a production in Edinburgh at Festival time. Ian Hogg plays the lead. Bill Bryden is the director. Hayden Griffin the designer.

Finally, a new comedy by Christopher Hampton, *Treats*, also to be produced in association with Michael Codron.

"The Merry Wives of Windsor" joins Stratford season

The *Merry Wives of Windsor*, their original roles as Sydney the final production of the 1975 Bromley as Justice Shallow, centenary season at Stratford. Emrys James as Evans, and upon-Avon, joins the repertoire Derek Smith as Caius. New at the Royal Shakespeare Theatre on Tuesday, August 26. This revival of the 1968-69 RSC production features many of the same leading actors, including Brenda Bruce as Mistress Page, Brewster Mason as Master Ford, and Ian Richardson as Master Page. Also returning in Stratford until December 20.

COLD LA INA

The aperitif of the aficionado

pastoral *How To Become Grown Up*, a much different "Song of the night after that he has lost his virility, we watch him gradually fall from the social ladder, he desperately tries to consummate his marriage. The confrontation with a band of beggars, in which the bankrupt strips himself to be spit upon (the possible cure), is strangely moving, an unforgettable image in African cinema.

The South American entries were but shades of past achievements, the Cuban film, *The Other Francisco*, on an historical plantation slave-revolt particularly disappointing. Sergio Olhovitch's Mexican epic, *The House in the South*, obviously cost a good deal of money, but in a community's migration in revolutionary times from a parched desert to green pastures is a carbon copy of Steinbeck-Ford's *The Grapes of Wrath* (an all-time favourite in Socialist countries) which loses credence after the birth of the child in a cattle-car.

The Argentinean entry, *Nazareno Cruz and the Wolf*, is another of Leonardo Favio's operatic blends, this one a wild baroque fantasy about a curse on a boy that will turn him into a wolf at the first sign of a love affair: the devil promises release from the curse if Nazareno will for stake his love, which is not at all in the cards after a passionate underwater scene to an operatic crescendo; and so on through folkloric and mythology—the public loved it.

Among the West European entries Jean Eustache's *Les petits amours* (France) was a standout: very much stamped by the poetry of Breton and Vigo, this 13-year-old leaving school and a rural life with his grandmother to join his mother in the city and work as a mechanic is fashioned carefully from the stuff of everyday life. Eustache's best film, perceptively imbued with subtle nuance and psychological detail to capture the complex, torturing steps from youth to manhood.

Andrzej Wajda's *The Promised Land* (Poland) was also in a class by itself among the East European entries. Adapted from Reymont's prophetic novel (written just before the Nobel Prize winning *The Peasants*), it's an apocalyptic vision of the industrial revolution, depicting the city of Lodz as a whirlpool of savage cruelty and mad speculation; the film's accurate portrait of slave-labour in textile factories, matched with a struggle between fading land nobility and rich, corrupt businessmen for power as an end in itself, marks the beginnings of a modern Poland. This is a new exploration for Wajda, whose consuming interest in the Polish identity is now splashed, perhaps foolishly, on a broad, panoramic canvas of historical dimensions.

The climax of the festival was another literary adaptation: like Wajda's *The Promised Land* and the Hungarian entry, Zoltan Fábri's version of Tibor Déry's mammoth pre-war novel, titled *The Unsettled* (Hungary), Japanese veteran Akira Kurosawa's Soviet wide-screen production of V. Arsenyev's *Dersu Uzala* reaches into the past, the Far East at the turn of the century, for its epic, monumental confrontation between boundless nature and modernising civilisation. *Dersu*, as a magnificent son of the taiga, is truly a sign of contradiction for us all.

Albert Hall

Boulez at the Proms

by RONALD CRICHTON

The 1975 Proms have started with a bang, two bangs, to be more exact (and that overlooks BBC Symphony Orchestra and Singers, the Orpheus Boys' Choir, all gave with a will).

The opening concert on Friday consisted of Mahler's Eighth Symphony, with the same orchestra, both the BBC choral, the Scottish National Orchestra Chorus imported for the occasion, and the Wandsworth School Choir—the lot were televised on BBC2 and, of course, broadcast on Radio 3. It was in some ways a strange performance. To begin with, Boulez showed himself much more at home with large choral forces than he has always done in the past. The choir had been thoroughly prepared, notably in the faultless progression from the quiet start of the final *Chorus mysticus* up to the blazing end.

Then there were the soloists. Boulez frequently draws deeply committed singers from young artists who come to him to perfect and receive the ultimate bonus of his musical understanding. There were signs on Friday of under-rehearsal: in one section one was uncomfortably aware that the violins and the

The English love of Titian dates from the days of Charles I, who owned masterpieces by him, and over the years many of the great 16th-century artist's paintings have come here. Not surprisingly, English writers were among the first to comment on his work. In 1829 Sir Abraham Hume published a volume on Titian's life and times and in 1877 another on the same theme was issued by Crowe and Cavaselle, which may still be read with profit. And in 1910, Charles Ricketts, painter, stage designer and critic, published a sensitive evaluation of the master.

Since then considerable research has been devoted to Titian, a powerful personality who enjoyed a long and prolific career. He made a large fortune, ending up by owning considerable property in Venice and on the mainland. Titian's versatility is astonishing; he shone in many directions, as a religious artist, a portrait painter and a creator of complex mythologies and histories.

His ability to compose on a grand scale, while retaining his lyrical qualities, is shown in one of the most familiar treasures of the National Gallery—*Bacchus and Ariadne*. This is one of the many compelling paintings discussed by Prof. E. H. Wethey in the third and concluding volume of his detailed catalogue of Titian's work (Phaidon, £30). The book is devoted to the mythological and historical paintings and is copiously illustrated, although some of the colour plates are most unfortunate.

Titian, who was born in Cadore, a most enchanting locality, came under the influence of Giorgione early on and worked alongside him on the frescoes at the Fondaco dei Tedeschi. The extent to which the two collaborated has aroused much argument among historians and in particular controversy has raged over the celebrated *Pastoral Concert* in the Louvre. Prof. Wethey considers that Giorgione laid out the composition and that Titian painted most of it.

Titian's relationship with Giorgione brought him into touch with one of the most enchanting currents in Venetian art—the concept of *arcanum* painting, which became such a feature of the Cinquecento and which, as the author reminds



Titian: Perseus and Andromeda (Wallace Collection)

us, had its origins in the work of Gentile Bellini. The poetic side of Titian's nature found rich expression in the famous pictures he executed for the studio of Alfonso d'Este at Ferrara. Alfonso was not the first Renaissance ruler to have commissioned paintings for his studio and his predecessors went to Mantua just to see them.

Titian's virtuosity was also evident in the large mural battle scene which he painted for the Great Hall of the Ducal Palace in Venice and which was destroyed by fire in 1577. Its appearance is known from an engraving and a drawing in the Louvre. Although the picture is usually said to represent the *Battle of Cadore* (1508), Prof. Wethey suggests in fact that it is the legendary *Battle of Spoleto*. The painting must have been astonishing with its dramatic intensity and manipulation of movement. Although Titian was fundamentally a classical artist, a love of violence also coloured his art, as shown by the *Turk and Lucretia* and the *Flaying of Marsyas*.

He had a natural eye for female beauty as may be seen from his various paintings of Venus, *Bacchus* and *Andromeda* (Wallace Collection). The *Boy with a Foxglove* and the *Rope of Europe* (Fenway Museum, Boston) which are technical masterpieces. Prof. Wethey considers that Titian saw the *Rope of Europe* as an interpretation of a classical story, but he rightly notes the way in which its composition foreshadows the Baroque.

The superb mythological paintings, which form the subject of this book, show the calibre of Titian's contribution to art—his fluency of handling, ability to suggest an illusion of space and nature, enchanting goddesses and monstrous colour. One should remember too that such pictures were created at a time of trouble and, as Prof. Wethey observes, Titian "rarely knew a tranquil political existence."

One aspect of Titian's achievement is apt to be overlooked—his role as a history painter. The reason for this is that his values and for their symbolic contributions in this genre no undertones. Titian, master of

longer exist. He painted for the subtle eroticism, succeeded in interpreting his classical subjects — *Diana and the Maid* for instance — in such a way as to give them relevance for his own time; his patrons, if they so desired could see in his canvases reflections of their own feelings.

Prof. Wethey's familiarity with the Spanish scene allows him to write with special authority about Philip of Spain and Titian. Philip's visit to Italy in 1548-49 was the major factor in his decision to become a collector and to select Titian as his favourite master. It was for his Spanish patron that Titian painted such famous poems as *Perseus and Andromeda* (Wallace Collection).

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COMPAGNIE LUXEMBOURGEOISE DE BANQUE S.A.

Luxembourg

Affiliate of Dresdner Bank AG

SUMMARY FINANCIAL STATEMENT AS OF MARCH 31, 1975
(thousands of Lux. Francs)

BALANCE SHEET	
ASSETS	LIABILITIES
Liquid Assets:	Preferred Creditors
Cash, Balances in Postal Cheque	Collection Items payable
Account and with Central Banks	Liabilities to Banks
Balances with Banks at sight	at sight and up to one month ...
(incl. for agreed periods up to	for agreed periods of more than
one month)	one month
Collection items and other Assets	Deposits of non-banking Finance
realisable at short notice	Establishments
Balances with Banks payable for	Current Accounts and Deposits
agreed periods of more than one	up to one month
month	for agreed periods exceeding one
Advances to non-banking Finance	month
Establishments	Sundry Creditors
Bills discounted	Miscellaneous
Other Advances	Fiduciary Accounts
Securities	Capital and Reserves
Miscellaneous	Provisions for contingencies and
Fiduciary Accounts	depreciation
Fixed Assets	Net profit
110,776,190	110,776,190
PROFIT AND LOSS ACCOUNT	
EXPENDITURE	REVENUE
Interest and commissions	Interest and commissions
General Expenses	Other income
Provisions for contingencies and	Release of provisions for con-
depreciation	tingencies and depreciation
Other expenses	Sundry revenues
Net profit	
10,806,132	10,806,132

The itemized Balance Sheet and Profit and Loss Account will be published in the "Memorial-Recueil des Sociétés et Associations" of the Grand-Duchy of Luxembourg.

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Hackney Jazz Society

On Sunday, August 17, at the 100 Club, Oxford Street, W.1, there is to be a benefit concert, for the Hackney Jazz Society which was founded in February, 1975, to promote Jazz in Hackney, the facilities for which have been completely lacking in the area. The original aims of the Society were: to run a regular club, to run workshops for people of all ages in the area, and to promote concerts.

The club (The Junction) opens on August 22 at the Crown and Castle, Dalston Lane, E.8. For all events there will be special rates for residents of Hackney, and only a nominal club membership fee.

The benefit concert is being held to give the club some financial backing, and among the

artists appearing, all giving their services free of charge, are George Fame and the Blue Flames, Lol Coxhill and Just Us.

Contract renewed

The BBC's Head of Music in the north of England, Dr. Ernest Warburton, has announced that Raymond Leppard has renewed his contract as principal conductor of the BBC Northern Symphony Orchestra until the end of September, 1977.

Bursaries scheme

A new bursaries scheme is to be established by the National Gallery to enable any younger regional museum staff from any part of the country to spend a period of six weeks as guests of the Gallery Trustees.

EUROPEAN NEWS

U.S. arms ban 'insufficient cause' to abrogate treaty

BY METIN MUNIR

ANKARA, July 28.

THE U.S. has told the Turkish Government that it does not accept the arms embargo as a valid cause for Turkey to declare the 1969 Turkish-American Joint Defence Co-operation Agreement, U.S. diplomatic sources said today.

This view was contained in a Note delivered yesterday by U.S. Ambassador William Macomber to the Turkish Foreign Ministry.

The Note conceded that the embargo, which was imposed by the U.S. Congress last February and firmly upheld by the House of Representatives today, called for adjustments to be made in the Turkish-U.S. military relationship. However, this should be done not unilaterally but through negotiations to which the U.S. Administration hopes

Turkey will agree. The U.S. said the Note according to diplomatic sources, considered itself bound by the 1969 agreement. However, it would respect the Turkish Government decision to halt the activities of U.S. bases in Turkey.

Turkish Prime Minister Süleyman Demirel's Right-wing coalition Government reacted to the embargo last Friday with two decisions: to declare the 1969 agreement invalid and to order a halt to the activities of all but one of the 27 U.S. bases here. The exception is the strategic Incirlik airbase in the South-east, where the U.S. has nuclear-carrying Phantom aircraft. This base would continue operating strictly for NATO purposes.

Turkish military teams of up

to 15 people today began to take over the "control and supervision" of the bases. The takeover is expected to be complete to-morrow, the U.S. diplomatic sources said. The bases have stopped all operational activities, but U.S. troops continued to remain on base and administrative work was continuing.

The sources added that JUSMMAT, the U.S. military aid mission to Turkey, was today ordered to evacuate the building it was allocated by the Turkish military in Ankara.

Reuter reports from Bonn: West German Foreign Minister Hans-Dietrich Genscher VIII is ready to mediate between the U.S. and Turkey at this week's European Security Conference "Summit" in Helsinki, informed Government sources said today.

Callaghan calls for mutual force cuts

BUDAPEST, July 28.

James Callaghan gave a forceful warning in a speech here to-night that the level of military confrontation in Europe must be reduced if détente was to succeed.

"Security is not just a matter of words at Helsinki but of deeds, including deeds in the military sphere," he said. "If we can make a further agreement which would prevent the security of all the parties while lowering the level of forces, we would all be able to sleep more soundly in our beds," he said at a dinner given by Mr. Frigyes Hujar, the Hungarian Foreign Minister. "We must not allow the opportunity to slip. Our children's future is at stake."

Mr. Callaghan also put the case for a freer movement of people and ideas across Europe, a major aim of Western nations at the European Security Conference which the Warsaw Pact nations accepted with reluctance.

He said détente would not flourish "if the people whom we represent see no benefit for themselves in what we are doing."

"Détente will flourish best when it is known by every citizen of individuals for the better whether they are businessmen pursuing contracts in each other's countries, scientists wishing to exchange views with their colleagues, or simply private citizens who wish to travel and learn about other countries, to marry or to join their families," he said.

"There is a human dimension to our work," Mr. Callaghan said. "Détente is about people as well as about military security, which is the proper concern of governments."

David Lascelles adds: Mr. Callaghan is in Budapest for two days of talks with Hungarian leaders before flying on to Helsinki for the security conference.

He began talks with Mr. Pujós and to meet Communist Party Secretary János Kádár and Deputy Premier György Aczel.

This is Mr. Callaghan's second trip to East Europe this month—he was in Poland two weeks ago—and it marks the gradual intensification of Britain's relations with that part of the world.

The Hungarian visit will be lower key than the Polish one. Britain and Hungary do not have the same traditional links. And, as the Government newspaper Magyar Hirnapló noted today, Hungary sees room for improvement of relations in trade, culture, science and international cooperation generally.

There is no prospect of the visit producing a Declaration of Friendship similar to that signed between Britain and Poland—but there are several international issues to be discussed.

On arrival today Mr. Callaghan told reporters that he would be pressing for troop reductions in Europe during his talks. "Helsinki agreements are the achievement of 1975, and the task for 1976 is reducing armaments in Europe," he said.

For their part the Hungarians are expected to protest about the U.S. commercial policies which have deprived them of large sales of agricultural produce.

And, though bilateral trade is increasing, the U.S. is expected to increase its exports to Britain to remedy their deteriorating foreign trade position.

Ford finds détente flourishing

WARSAW, July 28.

PRESIDENT FORD began a visit to Poland today to find détente flourishing and Polish leaders eager to strengthen already friendly relations with the United States.

Communist Party leader Edward Gierek, saying that the visit would be most open for the President, welcomed him at the airport on his arrival from Bonn.

Mr. Gierek stressed the need for East-West co-operation to avoid war, recalling the destruction of Warsaw by the Nazis as an experience that must not happen anywhere again.

His remarks underlined the importance of Warsaw, which the President, making his first visit to Eastern Europe since he entered the White House almost a year ago, has been attacked by influential U.S. newspapers and right-wing groups who charge he will sell out Eastern Europe to the Communists by signing the Helsinki declaration.

The President, seen by an estimated 250,000 people who waved Polish and American flags along the route of his motorcade, concentrated mainly on U.S.-Polish co-operation in his arrival remarks. But he also echoed Mr. Gierek's plea for encouraging détente, saying that he was here to find new areas for developing East-West friendship and ensuring world peace.

Warsaw is the first Communist capital to be visited by the President during a ten-day European tour that began on Saturday.

Mr. Ford conferred first with West German Chancellor Helmut Schmidt in Bonn and will visit Bucharest and Belgrade after attending the East-West summit in Helsinki, which will wind up more than two years' negotiation in the European Security Conference.

Reuter

ITALIAN POLITICS

Battle for the middle ground

BY ANTHONY ROBINSON, ROME CORRESPONDENT

AFTER EIGHT days of Machiavellian negotiations in the corridors and smoke-filled rooms of Palazzo Strozzi, Christian Democrat party headquarters in the Rome suburbs, the party has deposited its former leader Amintore Fanfani, chosen the little known Benigno Zaccagnini to replace him and dealt a severe and possibly irreparable blow at its own standing and prestige in the country in the process.

By reacting to the widespread Left-wing gains at the June 15 regional elections with a ruthless internal power struggle, the party has confirmed the worst side of its public image and contributed to breaking down still further the political and psychological barriers to the eventual entry of the Italian Communist Party into power through free elections—the first time this has ever happened in a developed western country.

Gaining power in Italian terms does not mean a straight take over with the Communist Party becoming the sole government party with all the others in opposition. Even though there is now a very real possibility that the Communist Party will emerge from the next general elections, scheduled for spring 1977, as the largest single party, it is inconceivable that alone 30 per cent of the vote could well create a majority for the left-wing parties. But, in the light of the Chilean experience, the Communist Party has made clear that it would be too risky and too difficult for a left-wing coalition to come to power with only a bare majority and its whole strategy is aimed at forging a broad alliance of Communists, Socialists and Catholics in which the PCI would have a dominant but not exclusive role.

In spite of its increased electoral support and prestige, therefore, the Communist Party is still looking for some form of "historical compromise" and to achieve this is looking to the Christian Democrat Party to abandon its traditional isolationist policy, isolate its right wing and decide on a new political line which would allow the Christian Democrat Party to survive and give what the Communist Party still believes to be a vital contribution to a new alliance of political forces in Italy.

Faced with this prospect, the Christian Democrat Party, which in its 30 years of uninterrupted power has represented the principal opponent to Communism, has failed to find itself together or on the policies required to face up to this challenge.

The deposed party secretary, Amintore Fanfani, stubbornly refused to admit that the regional elections represented an unprecedented defeat for his party. In his view the fact that 12.3m. Italians voted for the CD party in these elections demonstrated the validity of his strategy aimed at consolidating the party's hold over conservative opinion within the country, even though this implied the risk of losing much of its substantial working class support. Before the elections, he reminded delegates at the national council meeting this week, the party's strategy was to push the risk of losing much of its substantial working class support. Before the elections, he reminded delegates at the national council meeting this week, the party's strategy was to push the risk of losing much of its substantial working class support.

By insisting on a public roll call vote on the question of confidence and resisting to the end all attempts to dislodge him gracefully, Sig. Fanfani has set himself up as the immovable Paladino of the Christian Democrats, the eyes of an electorate who, at the next elections, are going to be faced with a direct choice of yes or no to Communism. There can be little doubt that in the back of his mind is the knowledge that there are 3m. sure anti-Communist votes which now have been controlled by the neo-Fascist Movimento Sociale, a party now threatened with legal proceedings with a view to its eventual banning, and many of whose voters would be potential members of a right-wing anti-Communist block if internal divisions within the CD party were finally to result in a rupture of the party's formal unity as a composite, inter-class party.

But this vision of a party fatally destined to press on towards a frontal clash with the Communist Party is one which meets strong opposition not only from the strong Left-wing faction, but also from the moderate and right-wing minorities of the Centre-Left formula as well. The most significant of these is in the

largest faction, the Doroteo, who command 35 per cent of the vote and are headed by Sig. Giulio Andreotti and the present Prime Minister, Aldo Moro. This line-up, which represents just under 70 per cent of the party, already showed grave doubts over the wisdom of Sig. Fanfani's leadership during the divorce referendum which resulted in a serious defeat for the CD party. But it was not courageous enough to dismiss Sig. Fanfani after the referendum and once Sig. Fanfani managed to out manoeuvre his enemies on this occasion they were obliged to follow his political strategy in

the name of party unity during the regional election campaign as well. Indeed, as Sig. Fanfani never tires of pointing out, some of the very men who led the revolt against him at the current national council meeting openly supported him until June 15. First and foremost among these was the late Prime Minister, Indro Montanelli, who was the front line candidate for the succession, before being shouldered aside at the week-end by Sig. Zaccagnini.

Having discarded with Sig. Fanfani the Right-wing strategy, the party now faces the task of re-establishing its support among the working class middle class, among housewives, businessmen and its other traditional supporters who have succumbed to the blandishment of an increasingly revisionist Communist Party and shown their impatience with the corruption, inefficiency and endless factional fighting of the Christian Democrats.

To do this it needs above all to re-establish a working relationship with the Socialist Party, its principal ally in the 12 years of Centre-Left coalition Government which have governed Italy with intervals since 1968. But in the eyes of the Italian Communist Party the chance in the not so distant future, to demonstrate that it is possible for a Communist party to achieve power by democratic means. This is thanks partly to the mistakes of its political rivals and also by its own efforts to demonstrate its relative autonomy from Mother Russia, its belief in and respect for democratic institutions, and an outrageously revisionist line with regard to the value of private enterprise and other essential features of a capitalist society. Communist practice, can be seen to cause as much heartburning in Moscow as in Washington.

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highly industrialised region of Piedmont in northern Italy where Socialists and Communists agreed to form a new "red region" in which the CD Party is for the first time in opposition and where the city of Turin, the home of Fiat, is now run by a Communist mayor, Sig. Diego Novelli, and where again the CD Party is in opposition.

Compared with the three "red regions" of Emilia-Romagna, Tuscany and Umbria which existed before the last regional elections, Italy now has five with the addition of Piedmont and Liguria, and the possibility of three more open regions—Lazio, the Marche and Calabria where the Communist Party's tacit participation in regional government has been agreed by the Socialists in certain cases by Republicans and Social Democrats as well. Indeed there is now hardly a major town or city in Italy in which the Communist Party's influence has not grown significantly at the expense of the Christian Democrats.

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OVERSEAS NEWS

'No more concessions over Sinai'—Peres

BY RICHARD JOHNS.

TOUGH ISRAELI opposition to further concessions in the still continuing diplomatic manoeuvres aimed at a second disengagement agreement with Egypt in Sinai was clearly spelt out yesterday by Shimon Peres, Israeli Minister of Defence.

In an interview with the newspaper Ha'aretz, he said that proposals made by Israel to pull back almost to the eastern end of the Sinai passes and surrender of the Abu Rudeis oil fields amounted to a final offer.

"We have gone far, very far, and it's almost been made clear that our proposals are the last ones. And it's hard to imagine that there will be withdrawal from this," he added that "we have proved that we are ready to give territory but we are not ready to accept dictation."

In the current—and counter-productive—state of diplomacy by public pronouncement, Mr. Peres' utterances should be interpreted within the Israeli internal political context. As a member of the Rafi section of the ruling Labour Alignment, he has been over in an awkward situation by Mr. Moshe Dayan, former Minister of Defence and leader of the faction who last week came out openly against any agreement with Egypt under the present circumstances.

At the same time, however, it was stressed yesterday in Israeli diplomatic circles that new moves to isolate the Jewish State in the international community would make a further disengagement very much harder to achieve. In particular, they were referring to the adoption by foreign ministers of the Organisation of African Unity of a resolution to suspend Israel from membership of the UN.

The message from Israeli quarters is that such moves by the OAU—whose ministerial resolution is to be submitted to the summit this week—and similar resolutions which may result from the conference of non-aligned countries in Lima next month could have a fatal effect on the Israeli electorate, paralysing Mr. Yitzhak Rabin, Israeli Premier, in his dealings with the U.S. Administration and cementing the impasse.

Ha'aretz reports from Beirut: The Lebanese parliament is scheduled to-morrow to discuss draft laws submitted by the Cabinet of Mr. Rashid Karami aimed at ensuring new sources of income to meet a large budget deficit.

For the first time in Lebanon's 33 years of independence, Parliament last week endorsed a state budget with a deficit which totalled about £140m. (£28m.). Endorsement of the budget for 1975 was also three months overdue because of the factional clashes and national strife throughout April, May and June.

Ethiopian urban land takeover

By Our Own Correspondent

ADDIS ABABA, July 28.

ETHIOPIA'S military rulers have announced that all urban lands and existing houses are to be nationalised.

A Government proclamation said the take-over would take effect on August 7, after which no person, family or organisation would be allowed to earn rent on urban land or houses. The proclamation said the exception would be "co-operative societies of urban dwellers" which would operate within the Ministry of Public Works and Housing—newly created to administer the new Government property.

The proclamation said no compensation would be paid for urban land but promised Government reimbursement for all nationalised extra houses.

It was made clear, however, that each individual family owning one house would not be affected by the nationalisation and the proclamation said each family or individual had the right to hold a maximum of 500 square metres of urban land.

UPI adds from Kampala: Heavy fighting between Government troops and Eritrean rebels has broken out near the northern Ethiopian city of Asmara which is in a virtual state of siege, according to Western diplomatic reports said.

'Suspend Israel'

KAMPALA, July 28.

THE ORGANISATION of African Unity ministerial meeting for the first time in its 12-year history voted early today for Israel's suspension from the United Nations, but the resolution fell short of Arab expectations.

Five member states in the 46-nation organisation had reservations about the resolution and the final wording was watered down from expulsion to suspension, until Israel complied it said with UN resolutions on the Middle East.

A passage calling for an African boycott of Israel on the lines of the Arab boycott at the time of the 1973 Middle East war was dropped, a separate resolution on Palestine calling for outright expulsion of Israel from the UN was referred to the OAU summit opening later today after the Ministerial conference failed to agree on it.

An Angolan resolution ordered all three liberation movements to put an immediate end to their hostilities and refrain from resorting to violence to settle their political differences.

On South Africa, the Ministers condemned apartheid, supported the intensification of the armed struggle there and called on all member states attending exchange visits with the Pretoria regime to renounce these in keeping with the unanimous resolutions of the OAU calling for the isolation of South Africa.

Both the Ivory Coast and Liberia have both had visits from South African Prime Minister John Vorster.

On Rhodesia it called on the people to consolidate their unity and immediately intensify their armed struggle, while on sanctions it attacked Britain, America, France, West Germany, Switzerland and Japan.

All Blacks' tour on

BY DAI HAYWARD

WELLINGTON, July 28.

THE NEW ZEALAND All Blacks rugby tour of South Africa will go ahead next year despite a personal plea from Prime Minister William Fraser to the New Zealand Rugby Union to abandon it.

During discussions held at the Prime Minister's request, Mr. Rowling outlined in detail the New Zealand Government's attitude to sporting tours of South Africa.

He also asked the rugby union to consider the Government's belief that apartheid is immoral and a policy of discrimination based solely on the colour of a person's skin cannot be justified.

Mr. Rowling asked the rugby union to give support to the New Zealand Government's efforts to impose a sporting boycott.

The rugby union said nothing had changed and that the tour would go ahead as planned. Mr. Rowling said the Government will not impose any sanctions on the tour but still hopes that the rugby union will change its mind.

Miki may stake his career on welfare

By Peter Duminy

TOKYO, July 28.

MR. TAKEO MIKI may be preparing to stake his political career on welfare, diplomatic observers believe, after a week-end speech in which the Prime Minister propounded a four-part cradle to grave programme, even partial fulfilment of which could greatly improve the lives of most Japanese.

Mr. Miki unravelled what he called his "life-cycle programme" at party fund-raising functions in Sapporo, declaring himself (and ostensibly the Government) in favour of free medical treatment, state subsidised housing, free university education, evening out of standards in Japan's highly stratified schools and universities, and raising of the national retirement age from 55 to 60.

All this would manifestly not only take financial pressures off households, but for instance relieve gruelling competition between school-leavers and the rigours of old age in a country where 90 per cent of "retired" men have to continue working, for reduced salaries and pensions are hopelessly inadequate (pensioners invariably live with their children).

Mr. Miki is reported to have said that these changes will be worked out in detail by a joint steering committee of government departments directly involved. However, that is undoubtedly more than he is entitled to expect at this stage.

Japan's Liberal Democratic Party, never mind the bureaucracy, has a long way from being committed to welfare objectives. The main significance of Mr. Miki's statement is that he is thinking of trying to take the party with him on a platform which he can launch it, would be likely to give political advantages over ultra-conservatives in his own party, as well as being an obvious counter to political gains by the left wing opposition.

The LDP has previously gone along with radical slogans such as Mr. Tanaka's "remodelling of the Japanese archipelago" and even "welfare first," without anything very noticeable having resulted except that the LDP remained firmly in power.

Mr. Miki's speech in some respects got off to a poor start. His choice of a forum in northernmost Hokkaido Island meant that his speech was almost completely ignored by the national press. Presumably this was foreseeable, however, as the Prime Minister is still in the preliminary stages of testing reactions.

LABOUR NEWS

Non-redundancy strategy sought for British Rail

BY JOHN WYLES, LABOUR REPORTER

A TOP-LEVEL meeting of British Rail management and senior union leaders will start today to try to agree a strategy for attacking the railways' large financial losses that will not involve forced redundancies.

With public financial support for the railways running at £394m. for last year and likely to rise to well over £500m. this year, BR will be proposing a range of cost-cutting measures, some of which could run into strong opposition from the unions.

This is because the rail unions increasingly regard themselves as the last line of defence for a railway system which they claim is being starved of investment and whose potential has been underappreciated by a series of Governments.

The National Union of Railwaymen is maintaining its pressure on the Government to devise an integrated transport system that will shift resources and traffic from road to rail.

The union's annual conference, which opened yesterday, is expected to be a hotbed of opposition to any cuts in manpower just for the sake of economy and made it clear that a reduction in manning would be agreed only in return for much larger investment.

At this stage, BR wants to discuss a more economic use of its 270,000 labour force rather than enforced reductions. Any claim is being starved of investment and whose potential has been underappreciated by a series of Governments.

Split opens in Civil Service unions

BY OUR LABOUR REPORTER

A SPLIT opened yesterday between Britain's two largest Civil Service unions over their attitude to the £6 pay limit when the 100,000-member Institution of Professional Civil Servants agreed to back the Government's anti-inflation pay policy.

The decision by the IPCS, which is not a member of the TUC, came only two days after the biggest Civil Service union, the Left-wing Civil and Public Services Association, roundly condemned the Government's anti-inflation White Paper as "an extreme attack on workers' living standards" and pledged to vote against it at September's annual TUC Congress.

This division among the Civil Service unions is likely to work in the Government's favour in the extent that opponents of the £6 policy will be unable to win the necessary two-thirds majority to make their opposition official in the Civil Service Unions Council.

Officially, the Civil Service unions are likely to accept the suspension of their normal pay claims and bargaining procedures due early next year, which should be based on a series of comparisons with salaries paid in outside industry.

The acceptance of the £6 policy will be in the face of the IPCS's hostility and that of the 65,000-member Society of Civil Servants, which is worried about the effect of flat-rate payments on differentials and incremental payments.

In an apparent side swipe at the dissenting Civil Service unions, Mr. Bill McCall, IPCS general secretary, said after the meeting of his national executive yesterday that it was essential that the Government's policy should succeed and that "none of us should evade our responsibilities."

His executive had reservations about aspects of the policy because "our members will be hard hit by the pay clampdown."

Despite their criticisms, IPCS leaders had decided to back the Government's policy because they are greatly concerned by the rate of inflation and the danger of savage cuts in public expenditure as well as massive unemployment.

Glass container unions win policy maximum

BY LORELIES OLSLAGER, LABOUR STAFF

UNION LEADERS successfully held out yesterday for the full £6 a week rise for the Transport and General Workers Union and the General and Municipal Workers Union, among its most enthusiastic backers in the TUC.

The settlement, which comes into force on September 14, means a 12 per cent increase in average earnings of £160 a week for the TUC, now running at about £50 a week.

But in line with the new policy, the flat-rate rise is a straightforward addition to earnings and will not be allowed to result in increased overtime and shift payments.

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GEC strikers accept £6 plus £2 in September

A TWO-MONTH strike at GEC's power engineering factories at Stafford ended yesterday after 2,500 manual workers accepted a £6 pay rise, with the promise of £2 more at the end of September.

Because of the £6 in June, the £6 in September will be added to the £6 in January and will not be subject to the White Paper pay guidelines. The £2 second stage will almost certainly have to be taken into the national wage limit in next year's settlement.

The men had been pressing for £10 a week or more and had rejected offers of £5 to run for eight months, then £8 for six months, then £8 in three stages.

Craftsmen and semi-skilled will get £6 a week and the 200 unskilled £5.50. All have a threshold money of £160 a week since June last year, which was consolidated into basic pay last year.

GEC workers are paid above the national minimum rates and staged increases in the national rate this year and early next will add only to their overtime and other premia. This addition will also have to be taken into the national wage limit in next year's settlement.

GEC would not comment on the cost or effects of the strike, but the long-term nature of the work—manufacture of power generating equipment—makes it less vulnerable than some sections of the engineering industry.

Share trust 'a way in for worker directors'

A COLLECTIVE shareholding for employees in their company, which should be set up in the form of a discretionary trust, is suggested by Mr. Wallace Bell, director of the Industrial Participation Association.

The trust would avoid some of the traditional objections to employee shareholdings—that they might not be widely taken up and that they expose the employee to a double risk if the company falls on hard times.

A trust could be the vehicle for appointment of worker directors, who would then sit on the Board as protectors of shareholders as well as employees.

Eventually, "there is no good reason why the employee trust should not become the major form of employee shareholding—that they might not be widely taken up and that they expose the employee to a double risk if the company falls on hard times."

Employee Shareholding Trusts, by D. Wallace Bell. IPA, £1.00.

Dockers end overtime ban

THE GOVERNMENT'S new anti-inflation strategy was given another boost yesterday when dockers at Southampton voted to abandon their six-week-old ban on overtime working in support of a "substantial" interim pay claim.

About 1,250 dockers at Bristol will decide today whether to drop their interim pay claim and stop industrial action after an arbitration tribunal found that the claim was unjustified.

The Southampton dockers, traditionally the least militant in Britain, claimed that the 14 per cent pay award they obtained in their annual negotiations in January had been more than eroded by price rises since.

Some shop stewards are believed to have favoured continued action yesterday, but most voted in favour of abandoning the overtime ban for several reasons, including acceptance of the fact that the interim claim was a counter to the new anti-inflation strategy.

At Bristol, the men have put in a claim for a 23 per cent interim pay rise, and have had a series of "sectional" stoppages in the last two weeks to support it.

The arbitration panel recommended that talks should be held on a bonus incentive scheme as soon as Government policy allowed.

£6 limit attacked by 12,000 miners

By Our Correspondent

LEADERS OF Derbyshire's 12,000 miners yesterday attacked the Government's £6 pay limit and said that the policy was "doomed to failure."

They demanded a resolution criticising their national executive committee and urging miners to vote "no" in the national ballot on the policy, which is to be held in September. Miners in Yorkshire and Kent have also urged their members to vote "no."

Mr. Peter Heathfield, secretary of Derbyshire NUM, said after yesterday's council meeting that delegates had "overwhelmingly" deplored the action of their national executive committee in supporting the Government's £6 pay ceiling.

"We fear that miners may become the victims of a policy that in the end is doomed to failure. If accepted, it would mean a very substantial reduction in the miners' standard of living in the next 12 months."

Mr. Heathfield said that 35,000 miners decided not to advise them how they should vote in the pay ballot.

The decision appeared to stem from a growing discontent with a Left-wing move to commit the area leadership against the policy. "There is no doubt that Nottinghamshire will support their union's national executive," he said, "and the area secretary, said."

White Paper argument

BY CHRISTIAN TYLER, LABOUR STAFF

DISAGREEMENT OVER the meaning of the anti-inflation White Paper is dogging national pay negotiations between the State and the major unions representing 9,000 manual workers.

Resumed talks between union leaders and British Nuclear Fuels yesterday ended with little progress made, a company said.

Meanwhile, craftsmen at BNF's main plant, the Windscale Power Station in West Cumbria, have become increasingly restless at the delay. Negotiations opened more than a month ago with a 50 per cent-plus pay claim from the unions.

After a lightning strike on Friday, 30 craftsmen decided yesterday to go back to work today together with 26 welders who have been out for six weeks.

The strikers accused the company of "dragging its feet" because of the need for a £5 a week pay limit. Non-craftsmen members of the General and Municipal Workers Union have accepted a £5 a week "holding offer" to all 4,500 BNF workers.

The unions are still consulting the TUC on the interpretation of the White Paper, which includes disagreement over whether the threshold money is to be offset against the £6 limit.

APPOINTMENTS

Senior post in Carron group

Mr. John Lambie has been appointed chairman of CARRON COMPANY and continues as managing director of the company, which is a subsidiary of Carron Company (Holdings).

Mr. W. N. K. M. Crawford has been appointed chairman of AMALGAMATED QUARRIES (SCOTLAND) following the financial restructuring of the company. Mr. Crawford is a partner in the Edinburgh firm of chartered accountants, Davidson, Smith, Wighton and Crawford and Turquand Barton Mayhew and Co.

Mr. John Stuchlik has been appointed managing director of CHEMTRON, the U.K. chemicals marketing company which is part of the STEUBER GROUP, with effect from September 1 next. Mr. Stuchlik is a partner in the Edinburgh firm of chartered accountants, Davidson, Smith, Wighton and Crawford and Turquand Barton Mayhew and Co.

Mr. Frederick Bishop has been appointed director of ENGLISH CHINA CLAYS. Until his recent retirement, Mr. Bishop was Director-General of the National Trust.

In view of TRAFALGAR HOUSE's substantial holding in the company Mr. D. J. C. Berens has joined the Board of YOUNG, AUSTEN AND YOUNG.

TUBES has made the following appointments: Mr. F. Laverick (manager), Mr. M. L. Laverick (manager), Mr. A. Laverick (manager), and Mr. E. Laverick (manager). The company is a member of the steel tube division of TUBE INVESTMENTS.

Mr. Austin Merrills has been elected president of the BRITISH SECONDARY METALS ASSOCIATION.

Lord Tanlaw has been appointed a director of BRATHWAITE AND CO. ENGINEERS.

Mr. R. Graham McCordell, secretary of WHITECROFT, has been elected to the Board.

Mr. Leslie Weller has become chairman of the BRITISH AND SHELTON GROUP. He has been chairman and managing director of Evans Lifts, a subsidiary.

Mr. John R. Forth has been elected chairman of SCOTTISH TIMBER PRODUCTS and Mr. David Brereton, deputy chairman, Mr. Robin Pegg, who has been acting chairman, continues as managing director.

Mr. T. W. Earl, who has been with SHIPPY GLUE AND CHEMICALS for 25 years, has been appointed to the Board as production director. Since 1962 he has been works manager at Queenborough.

Mr. J. K. Whiting has been appointed a director of COHEN BROTHERS.

Mr. Alan Johnson has resigned from the B. P. PLEASURE MOTORS to devote more time to his other business activities.

Mr. R. Ellis has been appointed a director of BROOKS AND WALKER, a member of the FURNES WITBY GROUP.

Mr. James F. McCordell has been appointed finance director of WEIR-PACIFIC VALVES, of Queensferry, Glasgow. He has been company secretary and finance controller since joining the company last February.

Mr. Robert Mansland, director at JOHNSON-HUNT, manufacturer of Shell and Tube heat exchanger equipment and a member company secretary and finance controller since joining the company last February.

Mr. Ronnie Cole, managing director of DOWDALLS, has been appointed a director of KEMAN, the parent concern.

SECESSIONIST STRAINS IN MALAYSIA

Tackling Tun Mustapha

BY WONG SULONG, IN KUALA LUMPUR

ATTEMPTS BY the Malaysian federal government to oust Tun Mustapha, the colourful and controversial chief minister of the East Malaysian state of Sabah, have brought an all-time low in relations between the state and central government since the formation of the federation some 12 years ago, and brings to the public eye a once tabooed subject: secession.

Political intrigues are still going on, and although state elections are not due until October next year, it is likely that the new Kuala Lumpur-backed Berjaya Party in Sabah will not want to wait so long to have a second round of battle with Tun Mustapha.

But as the situation stands, the Prime Minister, Tun Abdul Razak, is now left with the prospect of having a very bitter chief minister in Sabah and the longer view, an even more delicate problem in Sarawak where there is a strong and growing movement for greater state autonomy.

Tun Mustapha's threats of secession were the last straw which convinced Tun Razak that the chief minister had gone too far, and had to be removed.

As the Kuala Lumpur side of the story goes, Tun Mustapha, after failing to push through his demand from the Federal Government that Sabah be given the unrestricted right to raise loans on the international market, summoned a meeting on April 23 in Kota Kinabalu, the state capital, where he argued why it would be better for Sabah (and by implication Sarawak too) to get out of Malaysia.

Among those at the meeting were the Sarawak chief minister, Dato Rahman Yakub, and the former Malaysian Prime Minister, Tunku Abdul Rahman, who represented the Federal Government.

Dato Rahman apparently remained silent throughout the meeting while the Tunku, who was the principal architect of the Malaysian Federation, made an impassioned appeal for patience, tolerance and the need to stay on as one nation. The meeting ended with Mustapha as the only one dissenting.

Tun Mustapha has ruled Sabah almost single-handed for the past eight years, and his authoritarian and erratic style of government and extravagant personal indulgences have often embarrassed the Federal Government, which until now had tolerated him because of his solid support for Federal Government policies.

He rose from humble beginnings; he started as a house-boy with one of the British residents and showed signs of leadership as a guerrilla fighter during the Japanese occupation.

He was cultivated by both the British and Kuala Lumpur authorities as a Sabah leader as Malaysia was being formed.

He often saw himself as the champion of Islam and of the "Islamic" Sabah has brought cries of religious persecution from the Christian groups who make up a third of the state's 200,000 population, while the Philippines government has accused him of fanning the Muslim rebellion in the Sulu with guns, food and money. Between 20,000 and 25,000 Filipino Muslims are refugees in Sabah, running away from the fighting in the Southern Philippines.

Mustapha's real break with Tun Razak came last August when he asked for the federal government to be given a special status, which he gave to him, but which he rejected at the last minute. Since then, the two leaders have seldom met.

In choosing to have an open confrontation with Mustapha, now Tun Razak has timed things well: the Prime Minister himself is in complete control of the country and his own party, UMNO, and his government's overwhelming majority in the federal parliament makes the 16 Sabah votes, so indispensable during the constitutional changes following the aftermath of the 1969 racial riots, now expendable.

On the other hand, Mustapha is having trouble with the state's economy because of depressed prices of the state's major export, rubber, and it is a well known fact that the state's treasury is virtually bankrupt.

But the Berjaya Party leaders failed to do sufficient ground work before the election and were not fast enough in capitalising on Mustapha's absence from the country to win over the required majority among the state's assemblymen to oust him through a vote of no confidence.

As it turned out, Tun Mustapha, on his return to Kota Kinabalu, swiftly and effectively reasserted his authority, and several assemblymen who joined Berjaya returned to his fold, leaving the party now with seven of the 32 state assemblymen.

Since Bangladesh seceded, foreigners have tended to seek parallels between east and west Malaysia and the situation between East and West Pakistan. Conscious of this, the Malaysian Government has officially changed the description of West and East Malaysia to Peninsular Malaysia and Sabah and Sarawak.

Like Pakistan before Bangladesh, Malaysia is an accident of history; the two wings are separated by the South China Sea, and the cultures of the two wings are different. The average Sabahan or Sarawakan resents the "big brother" attitude of the West Malaysians.

True, most of the emerging industries are located in the western wing, and people in the east may regard themselves as a "captive" market for Peninsular Malaysia because of high tariff walls to Borneo, which is one thing, few Sabahans or Sarawakians can claim that Kuala Lumpur has exploited them economically.

But such parallels, which can be self-fulfilling if constantly marked up, are superficial. For one thing, few Sabahans or Sarawakians can claim that Kuala Lumpur has exploited them economically.

Since joining Malaysia, these two states have made tremendous economic and social progress—the number of students has doubled; the declining death rates attest to a much improved health system, while millions of Ringgits from the federal coffers have gone to the arduous task of carving out a tolerable road system against very hostile geographical environment in these two states.

KOTA KINABALU EAST MALAYSIA, July 28.

Several members of the Sabah state assembly have already left the ruling Sabah Alliance Party (SAP) and Tun Fuad's resignation is expected to be followed by further defections to Berjaya, which is calling for the chief minister's resignation. Opposition leaders claim that at least 13 of the 32-member state assembly have joined their party. Reuter.

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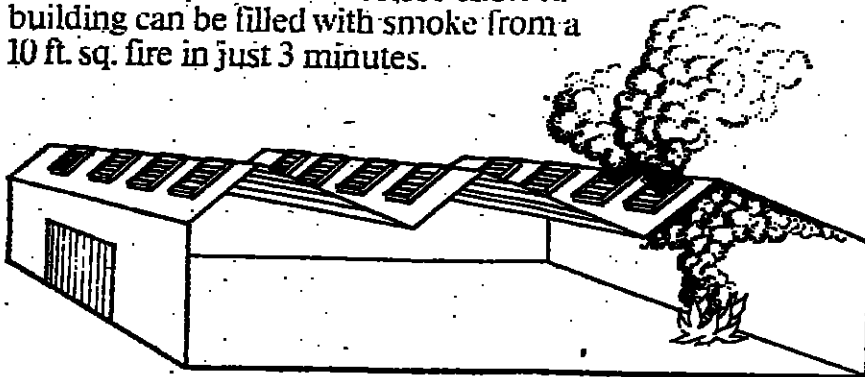
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HOME NEWS

Airline policy review will be fiercely argued

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE PRELIMINARY results of the Government's long-standing civil aviation policy review are expected to be announced soon by Mr. Peter Shore, Secretary of Trade.

The review was designed to update the policy guidelines given to the Civil Aviation Authority by the previous Conservative Government, which tended to favour the expansion of the independent airline sector, and in particular the development of British Caledonian as the "second force" flag carrier.

Many in the Labour Party objected to this guideline, especially because British Airways had some of its best routes taken from it and given to B.C.A. Labour said that whenever restored to power, it would seek to redress this situation.

Mr. Shore accordingly initiated the review last year, and a private report prepared by civil servants was given to him this year. No details of its contents have been disclosed and only limited consultations with the airlines have been taking place in recent weeks, although many written submissions have also been made.

B.C.A. has suggested that if the price of being left substantially intact as the major "second force" flag carrier was the Government taking a minority stake in the airline, then it would accept that.

RA is believed to have urged that it should be restored to its former position as the sole flag carrier, including its routes to West Africa.

It is widely believed in the airline industry, however, that any major revision of the policy guidelines given originally to the CAA will involve legislation to amend the 1971 Civil Aviation Act.

In view of the pressures on the Parliamentary schedule, this could not be done until the next session, which effectively means some time in early 1976. Thus, whatever decisions Mr. Shore is able to announce now are likely to be preliminary, pending any necessary legislation.

This would give time for his proposals to be argued both inside and outside the Commons, so that whatever happens a fierce debate on the future of U.K. civil aviation seems likely to occur this summer.

Airlines seek domestic fare rises

By Michael Donne

AIRLINES flying internal air routes have asked the Civil Aviation Authority for permission to put up their fares by amounts ranging between 10 and 15 per cent. from November 1.

It will be the third major fare rise on the routes this year. Fares on many internal routes rose by 7.5 to 15 per cent. on January 1, and again by 10 to 15 per cent. on April 1. Now, as then, inflation and, particularly, the cost of fuel, wages and salaries and landing fees are being cited as the cause.

The effect of the rises, if approved, is that single rates on the domestic trunk routes between London and Glasgow, Edinburgh and Belfast will rise by £2 to £21, and the tourist one-way off-peak rate rising from the present £13 to £14.50, and the first-class one-way rate rising from £28.50 to £32.

In all, 12 airlines are involved, including British Airways and British Caledonian.

British Caledonian's application varies from the others, in that it is also asking for a tourist one-way off-peak rate of £14 for the introduction of a £25 winter weekend "instant purchase" excursion return rate of £25 between Glasgow and Edinburgh, and for a winter weekend instant purchase excursion return rate of £20 between Glasgow and Manchester.

The airlines are also asking for 20 per cent. rises in fares on the routes between London and Birmingham, Blackpool and Manchester, and between Exeter and Southampton.

For other routes, the basic increase sought is 10 per cent., with some exceptions where 15 per cent. is requested, such as Scottish internal routes, and those to and from the Channel Isles.

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BP reviews ship needs

British Petroleum is advancing the date of disposal of about 20 of its older and smaller ships totalling some 20m. deadweight tonnage—about 5 per cent. of the group's carrying capacity—after a review of tanker requirements over the next five years.

Miss the Heathrow traffic instead of your plane

We're sorry, but it's only fair to warn you that essential building and roadworks involved in the construction of the new Piccadilly Line underground link could delay traffic and parking at the airport over the holiday period.

So please don't come by car if you can avoid it. You'll be better off catching an airline coach from a town terminal, a London Transport bus (82, 105, 140, 223, 285 or A1 Express from Hounslow West) a Green Line coach 724 or 727, or British Rail air-link coaches from Feltham, Reading or Woking stations.

Meanwhile we're improving the airport as fast as we can. Have a good holiday.

British
Airports
Authority

Concorde route test is postponed

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE BRITISH-ASSEMBLED Concorde, which is now in the middle of its route endurance flying, has had to postpone a visit to Melbourne, Australia, because of difficulties with the runway at Singapore.

The aircraft, which is now in Kuala Lumpur undergoing an engine change—was due to fly to Singapore to Melbourne on August 1.

The engine change is not a cause of the delay, it coincided, however, with the completion of work on resurfacing the runway at Singapore's International Airport. The test was scheduled to start on the new surface but had to be postponed until the new surface had been given time to consolidate.

Concorde will now fly to subject Australia on August 3, subject to permission from the Australian authorities for the revised programme. So far as possible, other parts of the route endurance programme in the Far East and South-East Asia will be maintained, but some changes may have to be made.

Meanwhile, the Department of Trade confirmed that it intends to publish the results of noise tests carried out around Heathrow during the endurance flying programme.

Mr. Stanley Clinton Davies, Under-Secretary for Trade, said in the Commons that it was essential to look on the tests as a whole, and analyse noise results carefully and in accordance with international scientific standards, before making any statements.

Varley hears views of motorcycle men

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

SHOP STEWARDS and management of the motorcycle industry yesterday met to put their individual views on its future to Mr. Eric Varley, Industry Secretary, and Mr. Gerald Kaufman, his Parliamentary Under-Secretary.

Mr. Varley and Mr. Kaufman will now consult their Cabinet and departmental colleagues to decide what form—if any—help for the ailing industry should be recommended to the Cabinet, which has the final voice.

Mr. Varley has promised to make a statement to the Commons before the recess on August 8.

He now has to consider the actions of the producers, Norton Villiers Triumph (with two factories) and the Meriden Workers Co-operative—the unions and NVT stewards to the consultants' survey commissioned by the Department of Industry.

This rather bleak document traces the retreat of the U.K. motorcycle industry over 15 years from one sector after another in the face of aggressive Japanese competition until it has been left only with "super bikes" and its main market in America under sustained attack.

Toyota Land Cruiser for U.K. market

THE TOYOTA Land Cruiser, main competitor to British Leyland's highly profitable Land Rover in many overseas markets, is to be imported into the U.K.

The Land Cruiser, which was first launched in 1952, only four years after the Land Rover, and has since been exported to 116 countries. It has been particularly successful in Africa, the Middle East, Australia and North America, and has been used to spearhead Toyota's car export drive in many countries.

Toyota is aiming to sell 600 to 700 Land Cruisers a year through 80 distributors in Britain, where it is the second largest Japanese car importer. The timing of the launch has been dictated by the expansion of production facilities in Japan, but it comes when British Leyland is pouring all its effort into making Land Rovers.

This has been prompted by the fall in the car market and the transfer of car assembly workers to Land Rover production. It has had the effect of virtually doubling output, which normally runs at about 45,000 vehicles a year. Land Rover has a market of some 12,500 in the U.K., the only competitor at present being the American Motors Jeep.

Like the Land Rover, the Land Cruiser is a robust four-wheel drive vehicle. It is powered by a 4.2 litre engine, developing 135 bhp, and has eight forward gears in four-wheel drive. The engine uses the cheapest grade of petrol.

In station wagon form, on a 106 in-wheelbase, the standard Land Cruiser is a six-seater. The 116 in-wheelbase pickup has 36 sq. ft. of storage space.

Prices will be £4,179 for the station wagon (comparable with £3,629 for the Land Rover), and £3,216 for the pickup.

IN BRIEF

Salaries slacken

Increase rate of office salaries was slackening, the Alfred Marks Bureau said. The average salary of all office staff in Central London rose by £1.50 a week during March-May, compared with £1.75 during the previous three months.

Architects confer

Lord Duncan-Sandys opened the annual conference of the Royal Institute of British Architects, held jointly this year with the Civic Trust, of which he is President. The conference, attended by 300 architects, lasts for three days.

Equality call

Men and women should be treated equally in respect of retirement and pension rights, the Institute of Personnel and Management said in evidence to the Occupational Pensions Board.

Nuclear waste

Nuclear power stations may produce about 150 cubic metres of highly active liquid nuclear waste over the next 15 years, MPs were told by Mr. Anthony Wedgwood Benn, Energy Secretary.

IRA cleared

Mr. Merlyn Ross, Ulster Secretary, was told by his security advisers that they accepted the Provisional IRA's claim that it was not responsible for the death of a policeman at Dungiven, Co. Londonderry, at the week-end.

Law Society protests against Land Bill

By A. H. Hermann

THE LAW SOCIETY has joined Justice and other organisations in a protest against the Community Land Bill.

In a memorandum addressed to Mr. Anthony Crosland, Environment Secretary, and published yesterday, the society says that the political purposes of the Bill cannot justify such a major encroachment upon individual rights as is contained in it.

The Law Society believes that if it adopted the Bill would create legal uncertainty and open the door to arbitrary decisions and abuse of powers.

As an example, the memorandum describes the position in which the Bill would put a man who bought a small plot of land on which he intended ultimately to build a retirement home. The land could be taken from him at a price related to its agricultural value, for a purpose which could not be foreseen on the basis of the local development plan.

Obligation

Even if the owner could discover or guess the purpose for which the land was required he would have no right to challenge the necessity or expediency of the move and he could not demand a bearing, public or private.

Finally, if the inquiry authority changed its intention it could dispose of the land and sell it to the highest or most favoured bidder without first offering it to the previous owner.

The memorandum complains that the Bill would relieve the authority of any obligation to specify the purpose for which land is being acquired. It may refuse planning permission on the ground that the land is not suitable for development, but nevertheless proceed to acquire that very land for "relevant development."

Safeguards

The definition of what is "relevant development" is not in the Bill and is left to be formulated by regulation not even subject to positive approval of Parliament though it could, of course, be annulled by a negative vote.

In the Law Society's view the Bill, if enacted, would create the temptation for local authorities to use the new powers to carry out what they would regard as their own ends, rather than to carry out safeguards already available under existing legislation. In this way they could find a way to escape the safeguards.

The Law Society argues that the existing planning structure is capable of dealing with the development of land and that planning decisions should be made in a quasi-judicial manner. The changes proposed by the Bill would erode public confidence in the planning authorities, built up over the past 25 years.

So you won't see the join

BY RHYS DAVID

FOR textile machinery manufacturers around the world the big event this year is the international exhibition in Milan. Held every four years, it features new ways of satisfying the world's demand for textile products more cheaply, more quickly and more efficiently.

Before this year's show, in October—and of added significance, given the expected return to higher levels of textile activity next year—two British companies, Platt Saco Lowell and Ernest Scragg, have stolen some of the limelight with a merger which will create the biggest group specialising in spinning machinery anywhere in the world.

Platt Saco Lowell (part of Stone-Platt Industries) and Ernest Scragg are already two of the biggest U.K. textile machinery manufacturers and although serving different sections of the market with different types of spinning machinery they have been in a degree of overlap in recent years.

Scragg's strength has been in the manufacture of machinery for texturing continuous filament yarns—the process that gives handle to the extruded fibre produced by the man-made fibre manufacturers by putting a crimp into it. This also happens to be an area in which P.S.L. has been seeking to increase its involvement through development of its most recent textile equipment.

Similarly, Scragg has itself been trying to break into an area where Platt Saco Lowell is established as a world leader—open-end spinning, which is replacing conventional ring-spinning of coarser types of cotton.

But although the two companies have each developed products in areas where the other has traditionally been strong, their records in recent years have otherwise been very different. Scragg's profits last year of £2.96m. were still less than half those reported in 1969 of more than £5m. And in the first half of the present year the company is reporting a loss, following a 50 per cent. drop in turnover to £10m.

The fortunes of Scragg, which lost its chairman, Mr. Philip Scragg, and another director, his son of the same name, in two separate car crashes last autumn, have risen and fallen in line with those of the double-jersey industry, which is a major consumer of textured yarns. The 1969 profits peak came as a result of mushroom growth of double-jersey.

Following a period in the doldrums as a result of worldwide overcapacity, double-jersey recovered in 1973-74 from the boom in world demand for textiles of all kinds, but it has once again fallen victim to the latest textile recession.

Thus although Scragg has stayed ahead of its competitors in producing texturing innova-

tions, including advanced draw texturing equipment for use by the fibre producers, it has been unable to avoid the cyclical nature of the textile business.

Scragg is not the only machinery manufacturer which has been affected. A leading knitting machinery manufacturer, Stibbe, went into liquidation last autumn and within the last week companies in the Leicester-based Bentley group, the world's biggest knitting machinery manufacturer, have been forced to announce cut-backs in the labour force and in the working week.

Platt Saco Lowell, in addition to operating in a different and less volatile area, has had the advantage of being part of a wider group less exposed to the textile cycle. Textile machinery sales accounted for £67m. out of Stone-Platt's total sales last year of £114m. with marine engineering, pumps and electrical equipment accounting for the rest.

The company, already a major supplier of conventional ring-spinning equipment, has established itself as one of the world's leading producers of open-end spinning machinery and has also made major inroads into worsted spinning through the Australian developed Recco spinner which it manufactures in the U.K.

The company has also strengthened its position in the U.S. through the acquisition of Saco Lowell, a producer with a similar range of spinning

machinery, which has been able to provide new outlets for Platt designs in the U.S. and other markets.

Yesterday's proposed merger produces a company which will have a turnover of more than £70m., and it is hoped this will help to provide a stronger base for protecting the outstanding export record built up by both companies over recent years.

For although U.K. textile machinery manufacturers have been affected like other sections of the textile industry by the world wide downturn in demand for textile products, they remain among the most conspicuous exporters competing with considerable success in a completely international market.

Thus in 1974, 82 per cent. of Platt Saco Lowell's sales were exports—£55m. out of £67m. and 88 per cent. of Scragg's sales—£37m. out of £43m.—were also overseas. As a joint company the new concern will be able to offer a much wider product range in all forms of yarn production but other advantages are also expected to follow.

The two companies point out that future yarn developments are likely to combine the technologies both of continuous filament and staple fibre. By joining forces they stand a better chance of competing with companies with rivals in France, Germany, Japan, Switzerland and the U.S. in these developments.

CBI is now hopeful of guide to counter inflation

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE Confederation of British Industry feels that there is now a better chance that the Government will issue guidelines to help industrialists find their way through the counter-inflation policy outlined in the recent White Paper.

The feeling results from what one CBI delegate described as a "very useful" one-and-a-half-hour meeting yesterday with Mr. Michael Foot, Secretary for Employment, and Mrs. Shirley Williams, Secretary for Prices and Consumer Protection.

The Government so far has rejected all requests for guidelines, saying that none were necessary for a voluntary policy.

The CBI has insisted that this was "an Alice-in-Wonderland" situation where employers could

be punished—via the Price Code—for breaking rules which had never been clearly outlined.

Mr. Anthony Foshams, director-general of the Engineering Employers Federation who was at yesterday's talks, said last night: "The arrangements outlined are not enough to ensure the success of the policy."

"Even a wholly voluntary policy must clearly state what is allowable and what is not. The present mass of White Paper and annexes, Parliamentary answers and Department of Employment interpretations do not satisfactorily achieve this."

Apart from more precise guidelines, the CBI delegation, headed by former president Sir John Partridge and director-general Mr. Campbell Adamson, told the Secretaries that there should be pre-vetting of pro-

posed pay settlements to allow the Department of Employment to indicate in advance just what was not permissible.

The confederation urged Mr. Foot to instruct his Department to give full reasons when rejecting proposed settlements.

Taking this one step further, the CBI suggested that there should be some method of appeal when the Department ruled a settlement outside the terms laid down in the White Paper.

It was pressed for publication of the proposed statutory "back-up" powers.

It said that the Department of Employment should monitor all pay settlements—a step the Confederation believes would reduce evasion of the policy by the many hundreds of small companies not covered by the Price Code.

MP expects licensing Bill soon

By Kenneth Gooding, Industrial Correspondent

A PRIVATE member's Bill outlining changes to Britain's liquor licensing laws could be introduced in the autumn, according to Mr. Michael Thomas, Labour MP for Newcastle-upon-Tyne East.

Mr. Thomas has been leading a campaign to get the Government to legislate along the lines proposed by Lord Eroll's committee in December, 1972.

In particular, he wants longer licensing hours and other changes which would encourage a new type of licensed establishment where families, including children, would be welcome.

Mr. Thomas, who yesterday met Mr. Roy Jenkins, the Home Secretary, and Dr. Shirley Summerskill, the under-secretary responsible for licensing matters, said afterwards that the campaign had made three big steps forward.

Mr. Jenkins had said that, although there would be no time for the Home Office to put a Bill before the next session of Parliament, it would help to make a private member's Bill possible.

He had also promised that the Government would not put any obstacle in its way.

Mr. Thomas, who said that the licensing system was "antiquated with no basis in social practice, economic logic or just plain common sense," was accompanied at the talks by Mr. Mark Carlisle, from the Tory backbenches, and Mr. Stephen Ross, representing the Liberals.

He said: "The door is open to get proper consideration of this matter."

About 15% of energy 'could be saved'

BY DAVID FISHLOCK, SCIENCE EDITOR

ABOUT 15 per cent. of the primary energy used in Britain could be saved in buildings without impairing their standard of comfort, according to a report from the Building Research Establishment.

Two-thirds of the energy saving could come from existing dwellings, using only well-established techniques.

The working party set up by the Department of the Environment's Building Research Station has found.

The working party was set up to help shape a research programme on energy conservation in buildings, and its report has been published in the belief that its findings may have wider implications.

It finds that between 40 and 50 per cent. of Britain's primary energy, based on 1972-73 statistics, is consumed in building services, of which domestic dwellings account for more than half.

Insulation

A breakdown of the energy load of British dwellings indicates that almost two-thirds (64 per cent.) is consumed in space heating, with another 22 per cent. for water heating, 10 per cent. in cooking and 4 per cent. in TV, lighting, etc.

The present value of the resource cost of action to conserve 15 per cent. in the domestic sector is put in the region of £3.3bn., and the present value of the savings discounted at 10 per cent. per annum is estimated to be of the same order.

The figure of 15 per cent.

saving on national consumption of primary energy is achieved by estimating that about 10 per cent. could be realised by making maximum use of thermal insulation, double-glazing, and controlled ventilation, and a further 3 per cent. could be saved by modifications to hot water supplies, with the balance saved in cooking, lighting, etc.

The report offers a way in which the householder can attempt to calculate whether a particular energy conservation measure makes sense in his specific circumstances, taking account of such factors as fuel costs, how long he expects to live in the house, and how much of the expense he can expect to recoup should he move.

It is enthusiastic about the usefulness of heat pumps, but acknowledges that they require further research and development. It is regarded as "more likely to be realised in new constructions designed for the purpose."

Of alternative "free" energy sources, the report notes that although making use of wind conditions in Britain make the use of aerogenerators (windmills) possible, a typical domestic heat load in a light-wind area would require a rotor up to 30 ft. in diameter. Solar collectors, it finds, are best considered for new dwellings.

Energy conservation: a study of energy consumption in buildings and possible means of saving energy in homes. BRE CP 56/75. Available from the Distribution Unit, Building Research Establishment, Garston, Watford, WDS 7JR.

May wine sales hold up well

By Kenneth Gooding

SALES of wine held up remarkably well in May, but those for spirits in the same month suffered a post-Budget slump, according to Customs and Excise statistics just released.

Total wine clearances from bond fell only 2.9 per cent. to 5.5m. gallons compared with the same month in 1974, a result described as "heartening" by Mr. David Rutherford, chairman of the Wine and Spirit Association.

The cumulative situation for 1975 to the end of May shows wine sales down 3.5 per cent. at 28.5m. gallons in five years of growth. Mr. Rutherford said: "If the wine trade can continue the volume of business to the end of the year on an overall level with 1974, we shall do well. But the next seven months' figures could alter the picture considerably."

Spirits sales, measured by duty payments, were down 23 per cent. in May compared with the same month a year ago at 1.5m. gallons.

This was to be expected after the 81.5 per cent. jump in the previous month—witness to the pre-Budget binge of spirits which went on that month.

Move to wreck Leyland plans alleged

THE AMENDMENT which some British Leyland shareholders are trying to force through at the last extraordinary meeting of the company was described in the High Court yesterday as "an evisceration of the amendment which would stultify the scheme."

Mr. George Dillon, QC, appearing for British Leyland Motor Corporation, also said that a very vocal minority had been "interfering in their language and apparently bent on disrupting the meeting."

Mr. Justice Templeman, is being asked to sanction the scheme to reconstruct B.L. capital which was accepted at the meeting. The British Leyland Shareholders' Action Group is opposing the scheme and has briefed counsel.

Mr. Dillon said that it was a matter for the shareholders "whether they wanted a bird in the hand of 10p a share or a side on a tiger on the shape of liquidation or receivership."

The hearing continues to-day.

Bankruptcies increase sharply

THE NUMBER of bankruptcies administered last year rose sharply—from 3,586 in 1973 to 5,280.

According to the Department of Trade's annual report on bankruptcy, published yesterday, total debts estimates by creditors rose nearly £20m. to over £31m., an average of £5,992 a case.

Of the 3,387 trading failures dealt with, the construction industry with 1,017 cases—accounted for almost a third. There were 874 bankruptcies among retailers, 337 in road haulage, taxis and hire cars and 221 in financial business and professional services.

There was a rise of 46 to 239 in the number of bankruptcies for bankruptcy compared with the previous year while the number of bankruptcies applying for discharge fell from 1,067 to 718.

The report records that the latest bankruptcy had liabilities of almost £1.8m., while there were five cases with liabilities between £1m. and £500,000. Bankruptcy General Annual Report for 1974. 50p. From H.M.S.O., High Holborn, London, W.C.1.

'Onus on every Cabinet Minister'

TWO LEADING QCs engaged in the Crossman diaries case yesterday pressed the High Court to rule that the law cannot be used against politicians who publish Cabinet secrets at their own discretion unless they endanger national security.

But Lord Widgery, the Lord Chief Justice, asked them to review their legal arguments. "Surely every Cabinet Minister must recognise that he cannot walk out into the street and say who was in favour of a particular issue without negating the doctrine of collective Cabinet responsibility?"

Mr. Brian Neill, QC, for the literary executors of the late Mr. Richard Crossman, a former Labour Minister, and his publisher, replied: "The sanction must be of a proportionate nature. Cabinet or confere by the Prime Minister—it is not a matter which comes into the field of law."

It may be that the Crossman diaries contain material which might offend against the so-called rules of Cabinet secrecy than any other book of memoirs. But the totality of times that they have been breached in other books suggests they are not rules of law at all.

Constitution

Mr. James Comyn QC, for the Sunday Times, said: "Disclosure of Cabinet material is a matter for the discretion of members of the Cabinet and not for the law. Nobody can say there is a cause of legal action against a Cabinet Minister who acts judiciously. He may cease to be a Cabinet Minister, such as in the case of Rudek leaks, but that is another matter."

"This is one of the glories of the British Constitution and runs through the whole of our public life. It was framed, and I hope I am not too old-fashioned in saying this, by gentlemen for gentlemen who were expected to act like gentlemen."

"That is why it is quite proper for a Minister to come out of a Cabinet meeting and make a public announcement of the substance of the steps of No. 10 Downing Street or of the way back to his office as to what has happened."

"The Government does not work under the threat of the Prime Minister or the Attorney-General or anybody else seeking an injunction."

When Lord Widgery suggested that the issue in the present action, which seeks to ban the publication of the Crossman diaries on the 1964-1970 Labour Government, was whether a Cabinet Minister could use his diary to publish the names of other people involved in Cabinet discussions.

Mr. Comyn replied: "We are familiar with name-dropping, but the issue here seems to be name-dropping. We are apt to say 'Watergate cannot happen in Britain. When it did happen it was exposed by the Press in America and we should not allow any incursion into the freedom of the Press in this country'—there are clear legal grounds for doing so."

Lord Gordon Walker said in an affidavit that when he was in the Labour Cabinet he never heard of any restrictive rules like those which the present Cabinet Secretary was trying to impose on the Crossman memoirs.

The Attorney-General, Mr. Sir John Peel, will reply to defence submissions to-day. Just before the court rose last night Lord Widgery said the case had lasted so long that he might have to reserve judgment until the new law term begins in October.

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Reserve powers probe by Tories

By John Bourne, Lobby Editor

CONSERVATIVE MPs last night tabled an amendment to the anti-inflation Bill in an attempt to force the Government to disclose details of the powers legislation which has not yet been published.

As reported in the later editions of Saturday's FT, Economic Ministers have virtually agreed to recommend to the Cabinet that strikers should be either exempted from industrial action against the Government's £6 a week pay increase limit.

In Whitehall yesterday it was stressed that the Government was still determined that any Reserve Powers Bill, which it hopes will be unnecessary, must not result in trade unionists ending up in prison because of industrial action.

This could happen, of course, if workers refused to obey a court injunction, and several Ministers now agree that legislation could certainly be drafted to prevent workers or unions being subject to actions for injunction. This is on the ground that the Ministers regard an injunction not as a civil action but merely as an equitable and discretionary remedy pending a civil action for damages later.

But some influential economic Ministers are convinced that the legislation could also easily safeguard workers from actions for damages. Certainly they would seem to have a precedent in Section 17 (5) of the Conservatives' Counter-Inflation Act, 1973. Although that Act did provide for fines for workers who went on strike or threatened to do so, sub-section 8 said: "Nothing contained in or having effect under this Act, and nothing made thereunder, shall give rise to any criminal or tortious liability for conspiracy, or to any other liability in tort." An action for tort is a civil action.

Japanese car imports concern

BRITISH PEOPLE should search their consciences "very seriously indeed" before buying cars from countries with much stronger balance of payments positions than our own, said Mr. Peter Shore, Trade Secretary, in the Commons yesterday.

He told Mr. Edwin Wainwright (Lab., Dorset Valley), who had asked about car trade between Japan and the U.K. "What is happening is that hundreds of thousands of our fellow citizens are preferring to buy foreign cars."

Mr. Shore said trade figures showed "a large and increasing adverse balance in our car trade."

Mr. Wainwright said: "For every car exported to Japan, about 50 are imported. Are you sure dumping is not taking place? What action will you take in the near future to ensure that the British car industry is able to supply our own needs

and thereby not allow Japanese cars to take over?"

Mr. Shore said that there had been an investigation into dumping allegations. "But the Japanese successes in the British market have, in some respects, been due to the unparalleled opportunity for selling here in 1972-73 when British suppliers were curtailed and limited."

Fuel costs
"The type of car the Japanese offer tends to be at the small end of the range. It has advantages in these days of high fuel costs."

Mr. Shore added: "We cannot dismiss the Japanese successes on the ground that they are trading unfairly. If we have evidence of that, we will act, but the problem is the more serious one of the strong competitiveness of the Japanese car industry."

Mr. Leslie Hockfield (Lab., Nuneaton) said: "It would appear that only one in three British private motorists is buying a British car. Imports have gone up by a half, but exports by only 19 per cent. Is it not about time that we had a really definitive statement?"

Mr. Shore pointed out that, in terms of components and associated items, the British car industry was still a very considerable net exporter.

Mr. Michael Shersby (C., Uxbridge) asked if there were artificial, technical barriers which prevented the export of British cars to Japan.

Mr. Shore replied: "All the obvious technical barriers appear to be non-existent. Their tariff is, for instance, 6.4 per cent, against ours which is 11 per cent. There has also been changes in Japanese procedures which have given advantages to our exports."

Two-way folly

By Philip Rawstorne

August is the newspapers' traditional "silly season"—but in the Commons it reaches its peak in July.

As the Speaker commented yesterday, this is the period when unusual incidents occur: when folly and flapdoodle hold sway as Ministers grow tired and backbenchers restless with the approaching summer recess.

It is a time for overnight sittings, guillotines, and springing ambushes on unwary Governments in the division lobbies; for mini-Budgets or incomes policies; and for innumerable points of order.

Mr. Bob Mellish, the Government Chief Whip, who normally maintains his silence in the House at least, rose yesterday to apologise for the behaviour of a number of Labour MPs who had voted in both lobbies last week.

They had done so, apparently, in an attempt to demonstrate that there was a quorum of 40 MPs present to consider a Government motion that would have enabled the Hansard record to be used in the Crossman diaries court case.

The tactics failed, anyway. Even with three MPs voting both ways, the result was 25-3.

But Mr. John Peyton, "shadow" Leader of the House, said sternly that votes, and even rules about votes, were important matters that should not be tampered with or treated lightly.

It had happened before, said Mr. Mellish—but he agreed heartily with Mr. Peyton's sentiments.

"I spend all my time trying to get as many MPs as I can into one lobby," he added. "I am overwhelmed by the enthusiasm of those who voted in two."

Mr. Jerry Wiggin, from the Conservative backbenches, and a number of other MPs asked the Speaker for a proper interpretation of Standing Order 29 (2) which governs the voting procedure.

"Some members of the Liberal Party voted in both lobbies last year," he recalled. "That's because they didn't know which one they should have been in," shouted a Labour MP. "Facing both ways as usual," called another.

Mr. Selwyn Lloyd, celebrating his 71st birthday, ruled that even if 20 MPs voted in two lobbies, it would still not make a quorum.

"This is one of the things that crops up in July," he added—but he refused to be tempted into prejudging anything that might happen next summer. "I'll rule on it when it happens," he declared.

In the meantime, Mr. Lloyd ruled that Mr. John Stonehouse, who wants to be locked up in the Commons, could not even attend without a resolution of the House.

And MPs, waiting impatiently to escape from Westminster, showed no disposition to sanction such wish even on Mr. Stonehouse's 50th birthday.

Angola 'battleground' risk to British citizens

THE SITUATION in Angola was likely to get worse and the capital could become a battleground in which British citizens could be at serious risk, Mr. Christopher Tugendhat, Minister of State, Foreign Office, told the Commons yesterday.

After describing the evacuation of 26 Britons from Luanda on Sunday, Mr. Tugendhat said: "About 12 British citizens decided not to go. It is hoped that they will have the chance within the next few days to take spare seats under air or sea evacuation arrangements of other friendly countries."

Answering an emergency question on the safety of Britons, he said that in other parts of Angola many had already left independently under arrangements made in consultation with our Consul General. So far, there had been no British casualties, although there had been some damage to property.

Mr. Edward Taylor (C., Cathcart) protested that, in what was developing into little more than a bloodthirsty shambles, Mr. Ennals had no precise idea of the number of British residents or where they were.

Mr. Ennals replied that, apart from those in Luanda, he could not give a figure for Britons in the rest of Angola because it was not known how many had left in the last few weeks.

It would have been wrong to leave our small consular staff

there after the majority of British citizens had been withdrawn.

Opposition on Foreign Affairs spokesman, Mr. Christopher Tugendhat, asked: "Could you confirm that a number of other countries have left diplomatic representations in Luanda and that we were the only ones to have withdrawn?"

Mr. Tugendhat wondered what was the value of British interests left at risk in Luanda.

Mr. Ennals said British property in Angola was estimated at £50m.

Fall in EEC trade deficit

BRITAIN'S CRUDE deficit of trade with the EEC, seasonally adjusted, averaged £11m. a month in the four months March to June, the Trade Secretary, Mr. Peter Shore, told the Commons yesterday.

Replying to Mr. William Hamilton (Lab., C. Fife), Mr. Shore said this compared with £22m. a month in the preceding three months.

The deficit in iron and steel had been reduced by half. Mr. Shore added: "This is the first time in 16 months I have been able to report to the House a slight overall improvement."

Rating liability for festivals

LAND-OWNERS who allow pop festivals to be held on farming land may have to pay more rates as a result, Environment Under-Secretary Lady Birk, told the Lords yesterday.

Replying to Lord Leatherland (Lab.), she said that although no rates were payable on agricultural land, the use of land for pop festivals "on a regular and significant scale" could give rise to rating liability.

Whether the land would be rateable would depend on the degree of use and the revenue which the owner of the land received.

Lords inflicts seventh Industry Bill defeat on Government

By John Hunt

THE GOVERNMENT suffered yet another defeat on Industry Bill in the Lords yesterday when it was defeated on the Bill during the Committee Stage in the Upper House.

The Conservatives managed to pass an amendment giving companies greater scope in refusing to publish confidential information to trade unions. The amendment was passed with an Opposition majority of 27 (86-59) but the Government may seek to reverse the defeat when the Bill returns to the Commons.

Speaking for the Government Lord Melchett said that the amendment severely limited the benefit of disclosure of information under the Bill.

The legislation empowers the Minister to prevent the information being passed onto a union if he considers that reasons of a special nature or of national policy apply.

Deleted

As the Bill stood, one of the special reasons would have been where disclosure would cause substantial injury to the undertaking concerned. The Tory amendment cut out the word "substantial", thus allowing a Minister to hold back the information on the grounds that it would merely cause injury to a company.

For the Opposition, Lord Campbell of Croy argued that it would be almost impossible to define closely what substantial meant. He thought employees should be prepared to forego information rather than jobs as a result of its disclosure.

Vice-Chancellor Lord Monck (C.) said: "The manufacturing industry is the lifeblood of this country, especially the exporting manufacturing industry. Anything it

was asked to disclose which would injure manufacturing industry in any way is to be deprecated to the extreme."

'Too far'

Lord Hewlett (C.) said that in the 1960s U.S. investment in the chemical industry in Grange-mouth had been lost because of fears by the Americans of constant interference and constant busyboding in industry by the British Government.

But Lord Melchett argued that if injury alone were to be grounds for non-disclosure then companies could refuse to give information claiming that it would cause them injury however small, incidental or insignificant. That, he said, would be going too far.

Meanwhile, the Lords are facing a considerable back-log of Government legislation to be dealt with before rising for the summer recess by August 8. To speed things up, peers agreed yesterday to take all stages of

each forthcoming major Bill on one day.

Concern was expressed by Opposition leader Lord Carrington, who pointed out that three important measures, the Employment Protection Bill, Community Land Bill and Petroleum Bill still have to come before the House.

For the Liberals Lord Byers commented: "The House is in grave danger of risking its reputation as a revising Chamber if we go on putting on this sort of pressure."

Oil watchdog move rejected

AN OPPOSITION bid to replace the Government's proposed British National Oil Corporation with an independent watchdog authority on North Sea oil was rejected by 66 votes in the Commons yesterday.

During report stage of the Petroleum and Submarine Pipe-lines Bill, a Conservative new clause which sought to establish a U.K. Oil Conservation Authority was defeated by 206 votes to 230. The Bill sets up the BNOC and authorises it to borrow up to £900m.

Shadow Energy Secretary Mr. Patrick Jenkin said the body he proposed would have an independent regulatory function. The proposal had been put forward by Conservatives in September, 1974, and had recently received "powerful endorsement" from the Select Committee on Nationalised Industries.

The authority would monitor and establish oil reserves, and be responsible for the conservation of oil and prevention of waste.

Another role would be to pro-

vide for appraisal of the existing or future demands to be met from U.K. oil and gas reserves, both in the U.K. and outside.

Mr. Jenkin said: "It will have one overwhelming advantage compared with the Corporation proposed by the Government. It would guess that its budget up to 1980 instead of being £2,000m. or more, might require no more than £10m. or £20m."

'Spectator'

Energy Secretary Mr. Anthony Wedgwood Benn, said the new body proposed would be a spectator of the oil business with no right to explore for oil and have no expertise in that field.

It would have no title in oil or gas and was no alternative to the BNOC.

"To come up now with a conservation agency, which is really the function of the Department of Energy in a new form, is no substitute for the development of a national oil capability."

That is what is embodied in

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The rapid growth of the world's population presents a great challenge to the chemical industry. Harvests must be safeguarded, food reserves protected. Bayer meets this challenge.

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Kim should also have enough to eat tomorrow — together with millions of other children all over the world.

Financial Statements of Bayer AG and Consolidated Financial Statements of "Bayer World" (extracts expressed in DM million)					
Balance Sheets as at 31st December 1974			Liabilities		
Assets	Bayer AG	Bayer World		Bayer AG	Bayer World
Tangible fixed assets	3,349	7,672	Capital stock	1,910	1,910
Investments in affiliated companies	2,272	748	Reserves, special items having partly the character of reserves	2,325	2,504
Other financial assets	128	225	Profits received from consolidated companies, earned prior to 1973	—	66
Inventories	1,567	4,969	Minority interest	—	887
Receivables for goods sold and services rendered	1,421	2,832	Provisions for pensions	1,010	1,295
Other items	349	687	Other provisions	353	928
Liquid assets	613	1,310	Convertible debentures	591	887
Balance of consolidation	—	507	Other long-term liabilities	1,780	4,867
			Other liabilities	1,585	5,470
			Balance sheet profit	325	316
	9,899	18,930		9,899	18,930
Profit and Loss Accounts for 1974				Bayer AG	Bayer World
Sales	9,441	18,879		9,441	18,879
Materials and other expenses not shown separately	5,352	10,157		5,352	10,157
Income from affiliated companies and other earnings	4,089	8,722		4,089	8,722
	369	431		369	431
Personnel costs, including pensions	4,458	9,133		4,458	9,133
Depreciation	2,757	5,629		2,757	5,629
Interest expenses	665	1,338		665	1,338
Taxes on income and property	216	755		216	755
Year's net earnings	428	740		428	740
Allocations to reserves	392	621		392	621
Bayer AG	67	67		67	67
Consolidated companies	—	137		—	137
Minority interest in profit	—	101		—	101
Balance sheet profit	325	316		325	316

For fuller information about Bayer, please contact Bayer UK Limited, Department A 7, Bayer House, Richmond, Surrey TW9 1SJ, England.

Bayer
Aktiengesellschaft
Leverkusen
Germany



Record turnover £514,000,000;
£80,000,000 up

Improved profit performance
in second half of year

Mr. Leslie Porter, Ph.D. (Hon.), Chairman, reports:

In the current year 1975/6 our profitability is showing an improvement to date over last year and our efforts to ensure an increase for the year as a whole will continue unabated. Our programme for stores in the current financial year will give us a total additional sales area of approximately 530,000 sq. ft. This includes thirteen new branches providing 400,000 sq. ft. selling area and fourteen redeveloped or extended branches providing an extra 130,000 sq. ft.

	Turnover (including V.A.T.)		Net Profit	
£000's	1974/75	1973/74	1974/75	1973/74
24 weeks to August	221,164	184,478	8,362	10,436
28 weeks to February	293,106	249,289	14,886	14,122
Total for year	514,270	433,767	23,248	24,558

The Annual Report and Accounts is obtainable from the Secretary, Tesco House, P.O. Box 18, Delamare Road, Cheshunt, Herts. EN8 9SL.

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By arrangement recently concluded with major Hotel Groups. This Company is to install an Electronic Unit in the lobby of leading Hotels throughout the U.K. We therefore invite applications from individuals of sound business background and financial standing to participate on an exclusive basis in this most lucrative business. For details:

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Write: 916 Creations Dauphine, 41 Avenue de Friedland, 75008-Paris (France).

STUNTED GROWTH?

Insurance Agents or Brokers with this problem, but foresight might like to link or merge with similar (not duplicate) service company in Bromley, Kent.

Interesting opportunity for perhaps a young man with connections who needs basic, associated and introductory for new business.

Please write to: JOHN CHURCHILL & CO., 155 High Street, Bromley, Kent, BR1 1JE.

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Manchester-Cook Limited sponsor of The Merchant Bankers Exchange seeks association with experienced Marketing Executive or Company to introduce Silver Bullion Marketing Division into the U.K. Interested parties must have successful background and existing offices. No investment required.

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SENIOR CONSULTANTS regularly visiting the above areas can assure your market penetration in these lucrative sectors. Please telephone: 025-761-2910.

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Port Trustee Limited
39/41 High Street, St. Peter Port, Guernsey, Channel Islands.
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Businessman now resident in Aberdeen with many established contacts in the Oil industry and supporting companies is willing to undertake sole agent commissions for companies not yet established in the area.

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I am presently offering 30 sq. ft. of space for electrical and electronic assembly, soldering and wiring. Currently, the space is available for use for 120 sq. ft. We will also undertake assembly work. For further information, please contact Mr. A. P. C. King, Managing Director, Solihull Building, Bridge Road, Leicestershire. Telephone: Leicestershire 73929.

SUBSTANTIAL MAIL ORDER COMPANY

Would be interested in meeting individuals with ideas for mail order business. Established household items, stationery, novelties and general fancy goods. Maximum consideration £30.

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The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

PROCESSES

Coats interiors of large pipes

COLEBRAND ENGINEERING is producing two novel machines for the application of sealants as well as an abrasive and anti-abrasive coatings, to the inner surface of pipes with diameters ranging from 100 mm. to 1,800 mm.

One of the machines employs a pneumatically-driven, four-wheeled carriage has an air-tight spray head at one end. The type of spray head can be varied to suit specific types of application requirements. For example, for pipes between 300 mm. and 1,000 mm. diameter, the spray head consists of a gallery containing between four and eight tips.

A typical painting rate for a single-arm rotary-beam machine applying a 200 micron wet film thickness of CXL 140 in a

600 mm.-diameter pipe is four linear metres per minute. The rate for a multi-tip gallery head machine is far greater.

The machine is fed from a standard airless spray paint pump, the pressure ratio and capacity of which is dictated by the medium to be sprayed and by a combination of the number and orifice size of the tips in use. A manual spray gun is included in the equipment to permit "touch-up" of the work and for coating the ends of the pipes if required.

CXL epoxide resin and polyurethane coatings are manufactured by the Colebrand subsidiary, Resin Coatings. Colebrand Engineering, 15, Hampden Gurney Street, Marble Arch, London W1M 5AL (01-262 8845).

Mixer for solids and pastes

QUICK HIGH intensive mixing of solids, pastes and heavy emulsions can be carried out in process industry batching operations using the 'S-KV' conical orbital screw mixer offered by Delmech Engineering.

A three-dimensional mixing action is provided by the mixing screw which, apart from revolving on its own axis is also made to orbit round the inside curved surface of the conical mixing container.

The screw imparts a lifting movement which is intensified by the orbital motion of the container. The material then falls down the cone

at varying velocities, producing moving and an homogeneous blend quickly and gently.

For dealing with pastes below a certain viscosity, the screw can be reversed to impart a higher shear to the mass. The unit is available in 15 sizes from 100 to 25,000 lb. Made in Holland by Machinefabriek Vreco the mixers are supplied in the U.K. by Delmech at Park Road Industrial Estate, Bacup, Lancs. (07085 5500).

THE SCHUMACHER sand treatment system is available in the U.K. from the Schumacher Engineering (Wolverhampton), Millfields Road, Wolverhampton, WV4 6JE (042961973).

Suitable for most fluids in common use, the units show flow rate as a continuous dial reading, give warning if flow varies outside pre-set limits and if need be can trigger instant remedial action.

The units use a double valve system offering little resistance to flow and allowing contaminant solids to pass through freely without damaging the meter. The semicircular vane are suspended on pivots and counterweighting against the flow, closing the fluid path when the flow is zero. As the flow rises the vane tend to close like butterfly wings. The pivot is linked to the dial pointer, giving a linear reading.

Cams on the pivot can be set to trip limit switches should the flow reach a critical upper or lower limit. Standard models are in aluminium or cast iron and other materials including steel ball bearings. The generated voltage is indicated on a

INSTRUMENTS

Mixes by sound

AVAILABLE FROM Dave Instruments is a high intensity sonic probe developed for continuous duty on difficult or large scale biochemical research applications.

A collection of Type 753A include the disruption of cells, bacteria, viruses, spores and tissue; extraction of compounds from animal and botanical tissues; emulsification; accelerating solution of difficult substances; and speeding up reactions.

A pulsed device permits operation from 10 to 90 per cent. of each second — useful for the extended treatment of solutions that are unstable when heated. Cooler operation and better mixing of materials results.

Specifically for batch volume and powders, Dave's at Concord Road, West-n Avenue, London W3 0SD (01-992 6751).

Hand-held anemometer

OFFERED BY Lull Marine of 11, Sucking Green Lane, Godswall, Wolverhampton, Staffs., WV3 2BL (09074 2700) are a series of hand-held anemometers made by Sims in the U.S.

The units consist of a 2½ inch diameter vane rotor, the shaft of which is connected to a generator in the body of the instrument running on two sets of stainless steel ball bearings. The generated voltage is indicated on a

MATERIALS

Stands up to etchants

A PHOTOPOLYMER resist for the manufacture of printed circuit boards specifically developed to withstand copper pyrophosphate solutions and ammoniacal etchants has been introduced by Thiokol Photochemicals.

Available in thicknesses of 1.0 and 1.5 mil (0.0254 and 0.038 mm) and widths ranging from 780 to 635 mm, Laminate AX can be laminated using the appropriate Thiokol laminator.

The resist is sandwiched between outer protective layers of one mil polyethylene film and one mil polyester, the latter

remaining in place during exposure and stripped to leave the substrate ready for development. Stripping is by immersion or by spray removal machines using aqueous-based solutions.

More from the company at Longley Lane, Stratford Industrial Estate, Wythenshaw, Manchester M22 4SY (061 988 0513).

High gloss varnish

SWALE CHEMICALS has released a newly developed coating for use on varnishing machines. An ultra high gloss varnish, it has been formulated to cure at temperatures as low as 60 degrees C using traditional equipment, and it eliminates

difficulties associated with catalysed varnishes.

The cured film is fully glueable and the solvent is alcohol, which has no adverse effect on roller systems, nor hazards from obnoxious fumes. The gloss is comparable to that of high-temperature curing systems, although the varnish may be dried with normal drying units.

Swale Chemicals says its KV 443 lacquer will open new markets for companies with varnishing machines having limited drying capacity.

Companies who wish to see the effects of KV 443 on their own printed board are invited to send a sample to Swale.

The company is at 248, Brighton Road, Purley CR2 2BA. (01-888 2116).

CONSTRUCTION

A new trade association

FIVE major U.K. concrete garage manufacturers, Banbury Buildings, Bell and Webster, Bisons Garages (Concrete), Compston Buildings and Marley Buildings have agreed to the formation of the Concrete Garage Manufacturers' Association.

Officials for the first year will be Mr. J. A. Blage of Banbury (Chairman) and Mr. W. G. Matthews of Marley (Secretary).

Safer glue for floors

AFTER extensive research, Shell Composites has developed a non-inflammable adhesive for fixing vinyl asbestos and thermoplastic floor tiles, normally laid with a

solvent adhesive.

Although solvent-type adhesives have become the traditional material used for these types of tiles, application of the highly inflammable liquids Regulations to the construction industry and the introduction of the Health and Safety at Work Act 1974 have created many problems in the use and storage of such solvent adhesives.

Shell Composites' new adhesive is called Laybond A.T.A. (Non-Flam), is bitumen based and presents no fire risk in storage or during application.

The manufacturer claims that the formulation is important because the laying can start immediately after the adhesive has been spread without the usual waiting time for it to "go off". This ability plus the adhesive's long open time, provides the floor gluer with considerable flexibility in programming his work. Once the tiles have been laid, a strong bond rapidly develops.

SENSING

Senses heat of surfaces

TECHNICAL Metal Products of Degussa has developed a flat platinum resistance element, the WF 60, for measuring temperature on plane and slightly curved surfaces. This resistance element can be used in the temperature range -250 degrees C to 600 degrees C.

It combines the properties of resistance, excellent long-term stability and high rate of response — with a rectangular section which makes it particularly suitable for measuring surface temperature.

It can be fastened to the surface by means of spring clips, organic adhesives (for medium temperatures) or inorganic cements (for higher temperatures). Under certain conditions, it can also be soldered to the surface.

Examples of the field of research and development applications are measuring and monitoring surface temperatures of reaction vessels or skin temperatures of aerospace vehicles and measuring the heat insulation of building materials.

In the industrial sector, the WF 60 can be used for measuring the temperature of heaters, for example, in the synthetic fibres industry. Other uses are temperature measurement and control in household appliances, in food industry equipment, in slots of electrical machines and in bearings, and also in

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SERVICES

Cleaning in time saves the gloves

A CLEANING and repairing service aimed at saving re-use of the 250m. pairs of industrial gloves thrown away each year in Britain has been launched by Sketcheley Overall Services. The company estimates that some 8m. pairs of industrial protective gloves are sold in Britain each week—most of which will be thrown away as soon as they become dirty, or start to wear out.

Sketcheley, which already operates services such as overall and towel rental from centres in various parts of the country, claims that up to 60 per cent. of the gloves could be re-used and that companies could save more than 50 per cent. of their costs in this way.

The Executive's World

EDITED BY JAMES ENSOR

David Fishlock talks to a man with a frustrating problem

Selling the indescribable

FOR A SALESMAN, Mr. Freddie Crewe has a very frustrating problem. Personally he has no doubt that his research engineers have developed a very advanced piece of airborne electronics, but just how much better it is than the equipment he hopes it will replace he is not allowed to say. AH he can claim, as sales manager of the maritime aircraft systems division of Marconi-Elliott, is that it is a "significant improvement." It sounds a rather lame claim to consideration for a share of a market put at £500m. over the next ten years.

The difficulty, of course, is that the equipment is a highly classified defence system, the primary market for which is the detection of submarines deep in the oceans, where no light beams or radars can penetrate. It uses sound waves to peer into the black depths and paint pictures of a clarity and detail the company claims are unsurpassed.

The Ministry of Defence acted as marriage broker for the partnership, three years ago, that made this new acoustic imaging system possible. Its problem was that, as submarines are progressively silenced and built to operate at greater depths, they become less and less visible to existing detection methods. Its scientists foresaw the day when enemy submarines would no longer be detectable.

So the procurement executive of the Defence Ministry brought together Marconi-Elliott, avionics subsidiary of GEC, and a Canadian company called Computing Devices (ComDev) of Ottawa, to develop a new acoustic detection system for the RAF's Nimrod long-range patrol aircraft. The result, claims the British company, will be the most powerful computing system ever to go inside an aircraft, and one that puts the Anglo-Canadian partnership right up with the world leaders—mostly U.S. companies—in airborne sonar. It expects to have a system ready to fly next summer.

But the market, the partners believe, is very much bigger than for RAF Nimrod—38 flying and eight more on order. The majority of which they expect to re-equip. They have a system that can be adapted to a great variety of aircraft, from a small helicopter to a large reconnaissance aircraft. ComDev is also highly enthusiastic about the possibility of a civil market for nations—Canada is one—wishing to prevent any unauthorised exploitation of ocean or seabed resources.

Freddie Crewe began his selling campaign in March, 1974.



The sonar picture (above) can show an operator in the Nimrod (top) whether a whale or a submarine has been found

about nine months after project definition had been agreed for the Nimrod contract.

Mr. Crewe's career has always been closely bound up with aviation. From wartime service as a pilot with Fighter Command he went into air traffic control joining Marconi-Elliott in 1962 to apply his operational experience to the design and later the marketing of radar and air traffic control systems. He has been selling avionics systems since 1970.

Because of the difficulties of security classification, this kind of exercise, says Mr. Crewe, must be taken very slowly and gently. It may involve five or six detailed presentations to a prospective customer as the technical development advances, and as more ideas emerge on how the avionics might be matched to developments on long-range patrol aircraft. "If you manage to sell in three years you've done a pretty good job," he believes.

Although given no figures himself with which to compare operational performance of the system he's selling with the one the customer is already using, that does not mean the customer cannot obtain these details. They can be provided on a government-to-government basis "at a level at which, frankly, I do not need to be involved." His job, as he sees it, is to "kick open the door."

His starting point is information on the refit programmes of nations to which he can reasonably be sure the U.K. Government will approve sales. From this data he can prepare technical—though not operational—performance figures to whet their interest. Even here, however, he may be handicapped in the amount of information he can provide—for example, on the computer performance—by Britain's precise relations with the customer-nation.

If he succeeds in opening the door, he soon finds himself involved in more specific proposals for the use of the system, based on the precise operational requirements, for example, in terms of the geography of the coastline and seabed to be patrolled, all the

time against a background of a continuously evolving technology. If all goes well, a point is eventually reached where governments begin to swap the more sensitive information, on sonar sensors, for instance.

The £500m. market envisaged by Marconi-Elliott for acoustic processing systems worldwide over the next ten years relates only to avionics, not to the aircraft or sonobuoys. To equip an aircraft with the Anglo-Canadian avionics is expected to cost roughly £150,000 to £700,000, depending on the size of the aircraft and the capability required. For the Nimrod contract, for which the company is prime contractor, the division of work is about 60:40.

The division of work will be reversed if the partnership should secure the sonar contract for the proposed Canadian long-range patrol aircraft, for which the Government has invited tenders from Boeing and Lockheed. Here the Anglo-Canadian avionics are competing with the five U.S. specialists in airborne sonar—Emerson, IBM, Interstate, Magnavox and Sanders—for the fleet of 20 aircraft.

Other markets that loom include France, now developing a M2C Atlantic reconnaissance aircraft, where the competition comes from Thomson-CSF, and Holland, also equipped with Atlantiques at present. Australia, which is providing the active sonobuoy for the Anglo-Canadian system, developed in its Weapons Research Establishment, is almost certain to re-equip its Ryan P-3Cs with the system; and New Zealand, with the same patrol aircraft, may follow suit. Beyond lies the likelihood of orders to re-equip Britain's Sea King helicopters in the 1980s.

But the most tantalising prize in sight is the Japanese market, where the Government is talking of buying 100 to 130 long-range patrol aircraft for surveillance of its long coastlines.

PENSIONS

BY ERIC SHORT

Drain on the accounts

AN EMPLOYER in setting up a private pension scheme is taking on an open-ended commitment that can all too easily become a considerable drain on his cash-flow resources. A glance at some of the recently published company accounts reveals considerable drains on the pension funds in the majority of cases. A degree of control in the funding of pension schemes is just as desirable as with any other company activity.

The usual form of private pension provision in this country is to set up a scheme that provides a pension of x per cent of final salary with the employee paying y per cent of salary in contributions. This pension is added to that received from the state scheme and his contributions paid in addition to that paid to the state. Thus under this system it is quite possible for an employee to get an overall pension higher than final salary but the extra cost is usually met by the employer.

The alternative put forward by some pension consultants is to integrate the whole pension scheme with the State scheme in determining the level of benefits and assessing the contributions. The level of pension is fixed at say x per cent of final salary, but this related to all sources, the private scheme providing the balance over and above that from the State. If the State level rises then that provided by the private scheme falls, if the salary levels remain unaltered.

The contributions paid by the employee are also determined on the total outlay to State and the private scheme. The employer's outlay is to make up the difference to keep the scheme fully funded. Trade unions in general are opposed to integration in private pension schemes, primarily because they think that something is being taken away from them. They suspect that the employer is trying to get away with cutting down costs by providing inferior benefits. But this is not the case at all. Everything depends on what overall percentage is fixed for the integrated level of pension. Under this scheme that figure can be pitched higher than in the more normal form of scheme so that a decent pension is paid to everyone. It is the union's task to see that the level is pitched correctly.

In general the cost to the employer will not be lower than under the more normal type of scheme. But when the State puts up its benefit level and consequently the contribution level, the employer with an integrated scheme can offset the increased costs within the private scheme. An integrated scheme does give some insulation against political risks.

There are three main methods of integrating, but no doubt taking on an open-ended commitment that can all too easily become a considerable drain on his cash-flow resources. A formula providing pensions in excess of a certain wage band. The published company accounts reveal considerable drains on the pension funds in the majority of cases. A degree of control in the funding of pension schemes is just as desirable as with any other company activity.

The second and oldest method is simply to make a monetary deduction from salary and base pensions and contributions on the adjusted salary figure. The deduction has to be constantly updated to allow for inflation. This method was suitable in the era of stable money, but is now being overtaken by events.

The third method and regarded by some as the best is known as the offset method and it operates on an overall percentage for pension as described above. Pensions are automatically changed each time the state pension changes and each time salaries are raised. It possibly gives the most administrative problems but the workload should not be excessive in these days of computerisation.

Reg Pycroft proves that it's still possible to be An entrepreneur in aviation

BY JAMES ENSOR

AIRLINE FARES structures have been getting out of hand with more and more complex systems of discounts for groups or families, special charter rates, non-LATA rates and a few directly illegal rates.

The worst of the regulatory abuses, over the so-called "Affinity Group" charters—which led to cases where government officials boarded planes and turned off improperly constituted club members—have been abolished. The British idea of Advanced Booking Charters—which came into effect in October, 1972, on the North Atlantic—ended that.

It also created a new class of travel operator, the ABC specialists. Jetsave, one of the largest of them with an estimated £8m. turnover this year, had a total staff of one man and two girls on the day the new system was introduced.

Caribbean

Mr. Reg Pycroft has spent most of his working life with airlines, eventually becoming Caribbean manager for British Eagle. After surviving redundancy and a disagreement with a subsequent employer he set up his own business. His big coup was to spot the opportunity in ABCs and to move faster than the big airlines in exploiting it. His first advertisement, for a £45 return fare to the USA, was ready as the CAA announced the new fare system. He quoted Dan Air, Pan Am and BOAC as the carriers and as he now readily admits the two latter were "tongue in cheek," although Dan Air was actually signed up.

He needed £100,000 as a bond and a licence from the CAA, before he could start operations, and the money had to be raised against his personal guarantees. However, his early publicity and the fact that he had brochures and sales material ready printed gave him a head start. The first year's programme was quickly sold out, thanks to the innate attractions of the low fares.

Then the problems began. As



Pycroft says, "It was a very difficult time trying to educate the consumer and travel agent and at the same time build up our administration. As we had no historical records on matters like staffing there was nothing to go on. We tended to wait until we got a crisis and then say 'we must get another tea-bag'... but, by then it was too late."

With no operational experience of how many people would actually arrive for a flight booked two months ahead, Jetsave overbooked considerably. As a result £52,000 of potential profit had to be spent on buying extra scheduled service tickets. However, by keeping faith with the customers and their travel agents, Pycroft avoided the fate of being branded unreliable.

Wholesaler

Essentially Pycroft works as a wholesaler, buying flights in full Boeing 707 loads from TWA or Dan Air and selling the seats to individual travel agents, who provide the customers. It attracts people visiting friends and relatives and the best markets are those where ethnic ties are strongest. As Pycroft says "half of our passengers have never flown the Atlantic before and a fair proportion have never flown." The market has strong

reducing to 40 during the off-season. In January, when things look their blackest for the travel trade, Mr. Pycroft is able to persuade his staff to work an extra half hour a day without pay. "It made" he says "a measurable difference to production."

In addition, he has developed a cottage industry around Horley in ticket writing, with ten housewives collecting batches in rotation and writing them out at home. When times are good, the company has been quite generous with its staff, providing 10 per cent of profits as a general bonus and a substantial sum for the "decision-makers." At the same time, bonuses of £5 all round or a bottle of champagne were provided when bookings achieved a certain level in a week—this proved unworkable because nobody could predict the seasonal profile of bookings, which have varied each year.

Ghana

With Atlantic traffic in the doldrums, Pycroft has been trying to develop other, lower capacity, ABC routes. He persuaded Ghana Airways and the Ghanaian Government to allow services to West Africa, with flights starting at the end of June. "We saw a chance to capture a fairly limited market," he says.

The really attractive ethnic markets of Australia and South Africa are still blocked by their Governments' opposition to cheap flights, but Jetsave hopes to develop a service to Hong Kong and a cross-route between the Caribbean and Canada, linking with its existing terminals. Next year, Pycroft hopes to build up a substantial traffic originating from the U.S. and Canada in addition to his British-origin traffic.

The history of aviation has been a story of entrepreneurship, from Howard Hughes to Freddie Laker. With the big state airlines and government to government negotiations now dominating the scene, it is encouraging to know that there is still a chance for the lone entrepreneur to build up a business—even if he doesn't own any aircraft.

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The Cassa di Risparmio di Torino, Italy (henceforth referred to as the "Institute") announces its intention to award a prize for an original study, not previously published and not yet in the press, on either of the following subjects:

- SAVINGS, ACCUMULATION AND PROBLEMS RELATED TO THE PROCESS OF FINANCIAL INTERMEDIATION, WITH PARTICULAR REFERENCE TO THE INSTITUTIONAL SET-UP

- COORDINATION OF MONETARY POLICIES WITHIN THE COMMON MARKET COUNTRIES: PAST EXPERIENCE AND PROSPECTS FOR THE FUTURE

The prize of 10 million lire - to be granted, if necessary the ex-sequo - will be awarded by a Committee of academicians and experts under the presidency of the Chairman of the Institute. The Committee's decision will be final. □ Any citizen of the countries belonging to the European Economic Community, born not earlier than 1940, may submit a manuscript. □ Manuscripts may be submitted in English, French or Italian. Three typewritten copies of each manuscript must reach the SEGRETERIA CONCORSO INTERNAZIONALE "1827-1977" 150° ANNIVERSARIO DI FONDAZIONE" - CASSA DI RISPARMIO DI TORINO, VIA XX SETTEMBRE 31, 10100 TORINO (ITALY) not later than March 31st, 1977. Manuscripts must not bear the author's name or any other means of identification, but a pseudonym or motto, which must be indicated, accompanied by any other writing, on the front of a sealed envelope containing the author's name and address, birth certificate and nationality. □ The prize - after notification to the winner or winners - will be handed over during the course of a ceremony at the Institute's head office, on a date (in 1977) to be announced. □ The Institute shall acquire the property of the winning work or works and shall undertake its publication. All translation rights shall pass to the Institute. □ Manuscripts submitted by authors not selected for an award will not be returned. In the case of unsuccessful manuscripts singled out for special mention by the Committee, the Institute reserves the right to negotiate their publication with the authors within three months from the award of the prize.

L. PRESIDENTE
Enrica Sella

La Cassa di Risparmio di Torino, per celebrare il suo 150° anno di fondazione, bandisce un concorso internazionale, nell'ambito del Paese della COMUNITA' ECONOMICA EUROPEA, per uno studio originale, non ancora pubblicato o in corso di pubblicazione, su uno dei seguenti argomenti:

- FORMAZIONE DEL RISPARMIO E PROBLEMI DELLA INTERMEDIAZIONE FINANZIARIA, CON PARTICOLARE RIFERIMENTO ALL'ITALIA

- ESPERIENZE E POSSIBILITA' DI COORDINAMENTO DELLE POLITICHE MONETARIE NELL'AMBITO DEI PAESI DELLA COMUNITA' ECONOMICA EUROPEA

Il concorso è dotato di un premio di Lire 10.000.000, da assegnare anche ex-sequo, che sarà aggiudicato, a giudizio inamovibile, da una Commissione composta dal Presidente dell'Istituto, da un economista e da due docenti universitari ed esperti. □ Al concorso possono partecipare i cittadini appartenenti al Paese della Comunità Economica Europea, che siano nati in data non anteriore al 1940. □ I titoli originali, che potranno essere redatti in italiano, o in francese, o in inglese, dovranno essere fatti pervenire alla CASSA DI RISPARMIO DI TORINO SEGRETERIA CONCORSO INTERNAZIONALE "1827-1977" - 150° ANNIVERSARIO DI FONDAZIONE" - VIA XX SETTEMBRE 31 - 10100 TORINO, in tre copie, entro il 31 marzo 1977. □ Il datiloscritto non dovrà portare l'indicazione dell'autore, ma essere contrassegnato da uno pseudonimo o da un motto che dovrà essere ripetuto su una busta chiusa che conterrà all'interno le generalità e l'indirizzo del concorrente, nonché il certificato di nascita e lo stato di cittadinanza. Sulla busta dovrà essere indicato solo lo pseudonimo o il motto di cui sopra. □ Il premio, previa comunicazione al vincitore o ai vincitori, sarà consegnato nel corso di una manifestazione, che avrà con giorno da stabilirsi, nel 1977, presso la sede dell'Istituto. □ L'Istituto diviene proprietario del lavoro o dei lavori vinti di cui curerà la pubblicazione. Ad esso è riservato il diritto di traduzione. □ I datiloscritti dei lavori risultati non vincitori non saranno restituiti agli autori. Per i lavori non vincitori, ma segnalati dalla Commissione giudicatrice, l'Istituto si riserva il diritto di concordare con gli autori dei lavori segnalati, la re-dattatura per la loro pubblicazione, entro tre mesi dalla data di aggiudicazione del premio.

La Cassa di Risparmio di Torino, afin de célébrer le 150ème anniversaire de sa fondation, organise un concours international dans le cadre de la Communauté Economique Européenne pour une étude originale, pas encore publiée ni en cours de publication, sur un des thèmes suivants:

- FORMATION DE L'ÉPARGNE ET PROBLÈMES DE L'INTERMÉDIATION FINANCIÈRE AVEC UNE RÉFÉRENCE SPÉCIFIQUE À L'ITALIE

- EXPÉRIENCES ET POSSIBILITÉS DE COORDINATION DES POLITIQUES MONÉTAIRES DANS LE CADRE DES PAYS MEMBRES DE LA COMMUNAUTÉ ÉCONOMIQUE EUROPÉENNE

Le concours a été doté d'un prix de 10 millions de lire qui pourra aussi être attribué dans le cas d'un ex-sequo. Ce prix sera décerné par une Commission, dont le jugement sera incontestable, mais sous la direction du Président de la Cassa di Risparmio di Torino et composée par des professeurs universitaires et des experts. □ Tous les citoyens des pays membres de la Communauté Economique Européenne, nés pas avant l'année 1940, peuvent participer à ce concours. □ Les textes originaux datilographiés, rédigés en trois copies en français ou en italien ou en anglais devront parvenir le 31 mars 1977 à la CASSA DI RISPARMIO DI TORINO - SEGRETERIA CONCORSO INTERNAZIONALE "1827-1977" - 150° ANNIVERSARIO DI FONDAZIONE" - VIA XX SETTEMBRE 31 - 10100 TORINO (ITALIE). □ Aucune indication de l'auteur ne devra apparaître sur le texte datilographié. Le texte sera marqué par un "pseudonyme" ou par une "devise" qui sera répétée (e) sur une enveloppe fermée contenant l'identité et l'adresse du candidat aussi bien que son acte de naissance et un certificat de sa nationalité. Seulement le pseudonyme ou la devise susmentionnée (e) devra être marquée (e) sur l'enveloppe. □ Le vainqueur (ou vainqueurs) sera personnellement informé et recevra son prix au cours d'une manifestation après de la Cassa di Risparmio di Torino à l'occasion des célébrations de 1977, dont la date n'a pas encore été fixée. □ L'Institut devient propriétaire du travail ou des travaux gagnant (s) et se réserve le droit de traduction se chargeant de la publication. □ Les textes des travaux non gagnants ne seront pas rendus à leurs auteurs et, pour les œuvres signalées par la Commission, l'Institut se réserve le droit de publication selon des accords à stipuler avec les auteurs mêmes dans les trois mois suivant l'attribution du prix.

Observer

Voicing an answer to the City's critics

BY MICHAEL BLANDEN

Age

ANOTHER important step in the City's response to public criticism of its activities and what it sees as widespread misunderstanding of its functions is likely soon with the setting up of a central communications and information organisation. Acting as a channel within the City and a link with the media, this new body will follow a year or so of clear signs of the City organising itself to answer its critics more effectively. These signs have been seen both in statements by leading City individuals and in the work of the committees on various subjects set up last year with the backing of the Governor of the Bank of England.

These efforts are a reaction not just to increasing criticism of the City but to a change in its character. For the City has been accustomed for a long time to adverse public attitudes—regarding the stock market as a casino and the banks as over-profitable moneylenders, for example—and thoughts about answering these are by no means new.

Recent criticisms, however, have struck very close to home, with the collapse of the stock market last year and the problems of industry giving rise to claims that the City has fallen down on its main job—providing finance for industrial investment.

It has hurt when eminent men such as Sir Charles Hardie, chairman of two important companies and with considerable experience of the City's work, have criticised the City. Although it is recognised that there is considerable room for improvement, and the comments by Mr. Deryk Weyer of Barclays Bank last week on the need to take a more responsible approach to investment holdings of industrial shares would find an echo in an increasing number

of places now, it is strongly felt that much of the criticism is unjustified. One way of tackling the problem is to demonstrate publicly that the City is able to find its own ways of meeting the needs of industry. The new funds put up for Finance for Industry's Elba, medium-term lending operation have already provided an example of the City's getting together—with some urging by the Bank of England—to provide new financial help. More recently the Institutions' Funds support operation has been an instance where the City has moved in to help out a company and avoided the need for Government support. It is likely that more contact with industry, on lines suggested by Mr. Weyer, will be developed and that the City will take an increasingly close interest in the industrial company sector. It remains concerned, however, over what is felt to be widespread misunderstanding of the City's methods of operation.

Entity

What the criticism has done is highlight some of the problems the City faces in presenting itself more favourably. The situation has to be dealt with in a number of different ways: in relation to Parliament and MPs' understanding of the City; more technically, in relation to Government departments and the taxation authorities; and in the general sense of getting the City's case over to the public at large through the media.

One difficulty is that, except in a geographical sense, there is no such thing as "the City". The various financial institutions which make up what is generally understood by this phrase are related to each other only loosely. The big clearing banks, for example, with their country-

wide branch networks, are only partly of the City; their interests on any subject may not coincide, and may indeed conflict, with those of merchant banks or the large community of foreign banks in London, let alone with the insurance companies, the stock market, the commodities markets or the professional bodies such as the accountants which can claim an interest in City matters.

The second point is the difficult position of the Governor of the Bank of England. He has traditionally acted as the channel for communication between the City and Government in both directions, and on both specific and general issues is recognised as the most important voice of the City. It is difficult to imagine that any centre other than the Bank could be an effective focal point for making City opinion known. Successive Governors, however, have recognised that there are subjects of major interest to all or part of the City, on which it is difficult for them as representatives of Government, responsible for carrying out official policies, to speak out on behalf of the City.

This is why last year's move by Mr. Gordon Richardson, the present Governor, to set up a number of heavyweight committees, in addition to the one or two already in existence then, was so important. The Bank provides secretarial services to, and communication between, the various specialist groups, which are linked with the City Liaison Committee (meeting under the Governor, this has been described as "the City fathers' meeting in Cabinet"). The whole set-up, which grew partly out of the established activities of the Committee on Invisible Exports, has already provided a new voice through which the



Sir Eric Faulkner of Lloyds Bank, head of the working party on City publicity and public relations.

City's various sectors can express authoritative views.

To-day the City's committees include the EEC Committee, established at the end of 1973 and the only one on which the members specifically represent various City interests, whose head is Mr. Peter Cooke of the Bank of England; the Capital Markets Committee, under Mr. Ian Fraser of Lazard; the Tax Committee under Mr. Philip Shelbourne of Samuel Montagu; and the Company Law Committee headed by Sir Henry Fisher of Schroders. There is also a City Telecommunications Com-

mittee chaired by Mr. William Clarke, director of the Invisible Exports Committee.

The final element in the pattern was the establishment of a small working party, headed by Sir Eric Faulkner, of Lloyds Bank, to examine City publicity and public relations. This working party has kept very quiet during the year—its full list of members has not even been published—and, perhaps ironically, it was the only area not covered when the Bank last week published a resume of what had been going on at the Committees.

Nonetheless, it is clear that Sir Eric has been doing a good deal to help the City's "image". Last November, he mounted a spirited defence of profitability in industry at The Banker's annual seminar, following it through in his own statement as chairman of Lloyds. And the widely expected creation of a new organisation to handle City public relations stems from his group's work. The new body, it is thought, will not involve anything as ambitious (and snowed under by the immediate pressures of new legislation) as trying to set up a "City spokesman". Nor, it is hoped, will it be simply a propaganda machine. More likely is a small unit geared to provide a channel of communication within the City and, in particular, with the media, to identify people who will, for example, speak on television on particular topics and react quickly to public events, and explain the City to outsiders.

bably most controversially, mounted earlier this year a powerful critique of the industry Bill's disclosure provisions, expressing "grave concern" over the possible giving away of commercial secrets.

The other committees, such as the telecommunications, tend to be more technical. This is true to some extent of the City Tax Committee, which has found itself since its first meeting in March last year pretty much snowed under by the immediate pressures of new legislation. It can claim some success in its representations last year over the proposed tax changes for foreigners working in the City. The issue, it felt, was crucial to the City's international standing, and some concessions were won. It has also, for example, submitted comments on the proposed wealth tax.

Structure

After the public relations working party, it is probably Mr. Fraser's Capital Markets Committee which has been most active, at least publicly. Its area of interest is right in the firing line, and on several occasions the Capital Markets Committee has produced forthright statements. Most recent has been a paper, *The City as Provider of Funds for Industrial Investment*, which emphasised in relation to large and medium sized companies that "the members of this Committee, all active in the system in the U.K. for its own process of capital raising, know the but expressed support for of no case in the last ten years, employee participation if it with the possible exception of brought more understanding the crisis period from the among workers and a greater sense of involvement with management and fortunes of the autumn of 1973 to the autumn of 1974, where worthwhile investment projects have been held company). The EEC Committee, up because City institutions too has been much tied up in developing contacts within the Community and with the any idea of directing private appropriate U.K. Government funds into investment, and, pro-

To some extent, the structure of the system is still being tested, so that changes are possible. Nevertheless, a number of advantages have been found with the present system. The committees enjoy the support of the Bank of England, but, because they remain independent, they can often comment far more outspokenly on contentious issues.

Except for the EEC Committee, their members are not specifically representative of sectors of the City, and can therefore speak without being tied down to the official approach of individual associations such as the British Insurance Association. But because they are senior individuals from leading City activities, they can nevertheless speak with authority and in the reasonable expectation that their views will have wide support. By sticking to topics of general interest, moreover, they can try to avoid sectional disagreements and leave individual associations to represent their own members over items of specific concern.

The diversity of City interests has created a resistance to the more ambitious ideas of setting up a central spokesman for the City or an organisation parallel with the Confederation of British Industry to act on its behalf. Yet through the medium of the City Committees much effective work is already being done. Their papers are being widely distributed—to MPs and the trades unions, for example—and they are already finding that there are being consulted by Government departments on specific issues where a City view is desirable. But the test will be the City's ability to influence actual policy towards industry and finance, as expressed through the National Enterprise Board as well as direct Government initiatives.

Letters to the Editor

Social Security Pensions Bill

From the chairman, the National Association of Consulting Actuaries, and others

Sir—A very important amendment has been made to the Social Security Pensions Bill in the Lords. Although it may appear rather technical, it has a very great bearing on the extent to which the Government's declared objective of encouraging the maintenance and (if possible) the extension of good occupational pension schemes can be achieved. May we briefly explain.

The Bill has given rise to an acute problem about people who change their employment. It provides that their preserved pensions shall be completely protected against inflation. It is clearly not reasonable to expect an employer to carry the responsibility for this, since an open-ended provision for escalation for an employee who has left service is obviously not insurable, as indeed the Government has recognised by proposing that escalation after retirement shall now be the responsibility of the State.

But as the Bill stood until July 23, the only alternative employers had to accepting this unpalatable risk was to pay a so-called limited revaluation premium to buy back into the State scheme responsibility for escalation above 5 per cent. This is open to serious objection. It partially defeats the object of contracting out by channelling money back into the State scheme, where it will be spent, instead of allowing it to remain in the occupational pension fund, where it can be a productive investment; and it creates a psychological disincentive to contracting out at all by requiring an employer, whenever employees have left his service, to make payments to the State out of the fund, and that just at a time when his business may be contracting and his financial position difficult.

Alternative

Those involved with the provisions of the Social Security Pensions Bill would be well advised to consider the alternative of adopting a different course, the figure of 5 per cent, being raised to a figure of 8 per cent. This would correspond with the rate of the Government's solution, and the employer thereby being relieved of the necessity of paying lump sums to the State. This proposal, which would greatly improve the attractiveness of contracting out at an insignificant cost to the State, has unfortunately met with no success. But in alternative solution is offered by the amendment agreed in the Lords, on July 23, following occupational pension schemes to be exempted from paying a buy-back premium by providing escalation at an appropriately enhanced rate.

We recall the hopes, so often expressed, that the present Social Security Pensions Bill would end the repeated swings of the pendulum which, for over ten years, have prevented real progress in the development of occupational pensions, and would achieve an agreed and therefore enduring solution of the problem of establishing a genuine partnership between the State pension schemes and the occupational pension schemes—the latter being recognised as having great value for the employees concerned and, for the State, contributing greatly to inflation policies and to the provision of funds for industrial investment.

Regrettably, these hopes have suffered serious setbacks in the

discussions which have taken place on amendments suggested by the pensions industry, although we recognise that some of the proposed amendments have been, at least in part, accepted by the Government. Of course the acceleration in recent months of an already alarming rate of inflation has had much to do with the erosion of pension values, and this makes it more important the modification of features of the scheme which must constitute a major disincentive to employers to contract out.

It is therefore our most earnest hope that something on the lines of the amendment agreed to in the Lords on Wednesday will be retained in the Bill when it returns to the Commons to-day.

D. F. Gilley, Chairman, The National Association of Consulting Actuaries; Max Lander, chairman, The National Association of Pension Funds; Sir Donald Sargent, chairman, The CIB Society of Pension Consultants; 67, Buckingham Street, W.C.2.

Hastily drafted legislation

From the Managing Director, Pension Planners (Europe)

Sir—Amongst the clouds concealing the shape of the Government's anti-inflation measures, those which relate to pensions are the most baffling. The indications seem to be that Mr. Foot intends to include occupational pensions in his overall £5 limit. It is conceivable that a responsible leader, and a Socialist, can really mean to do this? Or is it simply that he and his advisers have not quite thought through the implications of such a step? If pensions are not exempted from the provisions of the Remuneration Charges and Grants Bill the following will inevitably result:

Investment in industry will suffer incalculably. Pension funds account for a massive proportion of investment in this country. A reduction in the potential inflow of funds can only serve to exacerbate the plight of British industry. Who will suffer? Every citizen of this country. Any increase in the number of employees who can look forward to realistic retirement income will be halted—at a stroke. Who will suffer? Millions of workers who at the present time have no pension to look forward to, beyond the State pension. Any little impetus towards the improvement of company schemes following Mrs. Castle's settling of the Social Security Act 1973 will now be lost, despite repeated assurances by the Secretary and her Minister of State of the Government's interest in encouraging and furthering the development of occupational pensions. Who will suffer? All those members of occupational schemes where improvements to benefits were planned.

During two decades of political sparring, the worker nearing retirement has been the punchbag, enduring both Left jabs and Right hooks. Then, in recent months, spokesmen of both Conservative and Labour parties implied that this shameful situation will not again be allowed to happen. At last. But now, ironically, it seems that the anti-inflation legislation (desperately needed but hastily drafted) may once again result in that same employee, now getting rather weary of the body blows, receiv-

Very rich men

From Mrs. H. Derrick.

Sir—Mr. Talbot's letter (July 24) makes sense in theory but in fact it is impossible for the self-employed or non-Government employee to put by enough to produce an inflation-proof pension. How can 15 per cent, or, indeed, any finite percentage of anyone's earnings produce a pension which by the end of his life may need to be many times his average salary?

Civil servants' pensions are paid for quite differently and so they are in the happy position that they can ignore inflation. Thus they are equivalent to very rich men.

The Inland Revenue carries out Government policy in taxing the very rich and it is accustomed to the idea of taxing national riches. For example, Mr. Cyril Plant, the general secretary of the Inland Revenue Staff Association, is happy (July 24) to support a wealth tax on the value of businesses, even if there is no cash available. Why should the civil servant therefore not pay a wealth tax on the value of his pension?

It could be spread over a lifetime and, as it would increase as his pension increased with inflation, he would be as hard up as everyone else in the end. Which, after all, is only fair.

H. M. Derrick, The Change, Raddick, Stroud.

Resistance to wealth tax

From Mr. J. Ross.

Sir—Mr. J. E. Talbot (July 24) asks: "If a pension is simply that part of the total remuneration which is deferred until after retirement, why should it be treated as an asset for wealth tax purposes?"

The short answer is that the capitalised value on an actuarial basis is a debt just as much as if it was owed by a bank or a building society instead of by the former employer. Mr. Talbot is correct in saying that no one contends that the other part of the total remuneration receivable during service should be treated as an asset. The remuneration itself is not the asset but any part of this which is saved in a bank or a building society or otherwise invested will be an asset for wealth tax purposes. It is precisely the fact that so much of present day savings which have come from past remuneration which was fully taxed at the time, is now to be taxed again because it has been prudently saved and not spent on better living standards that is causing so much resistance to the wealth tax in principle.

Mr. Talbot quotes the example of a self-employed man who contributed out of earnings to a retirement pension policy. If he had contributed to an endowment policy with pension options (and there are such policies available) then I am sure that the surrender

Inflation cover for exports

From The Director, Process Plant Association.

Sir—I am most pleased at the interest aroused by Ray Daffier's article (July 21) and would like to emphasise the difficulty in which the British contractor and plant manufacturer find themselves.

The great potential for process plant exports lies in the Middle East, South America and Eastern Europe. In all these three, fixed prices are the "order of the day". That is to say that the manufacturer is required to calculate the price for a plant which may take him two or three years to manufacture, including materials bought from time to time during this period, but priced at the date it is provided, and labour paid week by week or month by month at constantly varying rates. The escalation of costs can be as much as 40 per cent, but if he allows for this he will probably lose the job; if he allows less he may well make a loss on a job carrying a profit margin as low as 5 per cent.

What is needed is an assumed inflation rate—which only Government can assess, since it is its actions which influence it—and an insurance scheme that it will cover, in return for a fixed premium, any rate of inflation above the assumed. This system is the only one which will enable the British manufacturer or contractor a firm base on which to compete on a world-wide basis.

During the last few years considerable losses to British economy have been incurred by: (a) British firms being unable to quote on unquantifiable risks; (b) U.K. firms being forced to quote through foreign subsidiaries; and (c) U.K. firms quoting unrealistically high prices for fear of inflation and losing the contract.

The sponsor the Government can provide such cost escalation cover, the sooner shall we see a more secure future for our workforce.

(Cdr.) John Hamer, 197, Knightsbridge, S.W.7.

Supply, demand and returns

From Mr. A. Good.

Sir—Recent pronouncements from nationalised industries cause me to wonder whether their heads have ever heard of the law of diminishing returns? Or could it be that some higher authority has decreed that they be bound neither by this nor its sister, the law of supply and demand?

Anthony B. M. Good, 91, Cadogan Lane, S.W.1.

To-day's Events

Trust, Queen Elizabeth Hall, London. Tapestry depicting 1899-45 war from Dunkirk to Normandy on show at Guildhall, E.C.2.

PARLIAMENTARY BUSINESS House of Commons: Petroleum Bill, and Submarine Pipelines Bill, progress on remaining stages until 7 p.m., followed by report stage and third reading of Remuneration, Charges and Grants Bill.

House of Lords: Statutory Corporation (Financial Provisions) Bill, third reading. Northern Ireland (Emergency Provisions) (Amendment) Bill, second reading.

Sex Discrimination Bill, report stage. Child Benefit Bill, report and third reading. Coal Industry Bill, consideration of Commons amendments.

COMPANY RESULTS British-American Tobacco (half-year).

Clayton Dewandre Holdings (half-year). Glenlivet Distillers (half-year). Macarthy's Pharmaceuticals (full year).

COMPANY MEETINGS Calsonic, 2, Devonshire Square, E.C.10. Dominion and General Trust, Edinburgh, 12.

Imperial Continental Gas Association, Winchester House, E.C.1, 11.30.

Lehoff (S.) (Fobel), Hendon, 11. Minister Insurance, Arthur Street, E.C.1, 12.30.

S. and U. Stores, Birmingham, 2. Trustees Corporation, Winchester House, E.C.1, 12.45.

Warnford Investments, 20, Aldermanbury, E.C.3.

BALLET Royal Ballet dances in the Night, Symphony, and Les Noces, Royal Opera House, London, 7.30 p.m.

MUSIC P.O. Carlyle Opera Company in *Donizetti's* part of centenary season of Gilbert and Sullivan, Royal Festival Hall, London, 7.30 p.m.

This announcement appears as a matter of record only.

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MEXICO

\$100,000,000
Five-Year Term Loan

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COMPANY NEWS + COMMENT

AAH profit up 29% to record £4.15m.

AGAINST A forecast of a rise of at least 20 per cent., group pre-tax profit of AAH expanded by 29 per cent. to a record £4.15m. in the year to March 31, 1975. At the nine months stage it was up from £3.03m. to £3.55m.

And current year profits are in advance of those of the same period last year, the chairman, Mr. W. M. Pybus reports. Turnover for the year increased from £114.16m. to £175.93m. Earnings per 25p share are shown to have risen from 20p to 23.7p, and the dividend is lifted from 7.50p to a maximum permitted 8.57p net with a final of 4.32p.

TURNOVER:—
Solid fuel 125,256 77,459
Oil 15,488 11,567
Builders' supplies 12,714 11,180
Roofing 8,929 9,264
Chemical engineering 2,528 1,861
General engineering 2,110 1,651
Miscellaneous 9,250 5,262
Total 175,934 134,142

TRADING PROFIT:—
Solid fuel 2,719 1,679
Oil 624 783
Builders' supplies 624 783
Roofing 624 783
Chemical engineering 121 151
General engineering 121 151
Miscellaneous 472 325
Total trading profit 5,445 3,625
Profit before tax 5,445 3,625
Taxation 1,290 1,032
Net profit 4,155 2,593
Virtually all NCB, etc. 73 73
Preferential div. 1,144 939
Atrich, ordinary 410 260
Including 132,000 (50,000) share associates.

The chairman says it is much too early to forecast the outcome of the current year; it may well be that this year will see a move back to the more traditional pattern of a greater proportion of profits being earned in the second half.

"I am, however, convinced that the group has the management and financial resources to give the same good account of itself in the future as it has done in the past," he adds.

He points out that profits from continuing diversifications have increased in the past six years from £88,000 to £2,169,000.

comment

A cold snap in the weather during the closing stages of AAH's financial year made a big difference to final-quarter figures—mainly in the solid fuel division—and was instrumental in leaving the annual figure 9 points better than the 20 per cent. growth rate predicted after nine months. Both solid fuel and fuel oil distribution are continuing to show their paces in the current year, keeping group profit at the close of the stage. Builders' merchants and road haulage are both profitable and poised for any recovery, and the engineering side is "doing quite well." A cold winter to the east of mild ones—would really ensure further growth being

achieved in the current 12 months and the balance sheet, when published, should show a very strong base on which to operate. The market was justifiably pleased with the result and put 9p on the shares to 121p where the yield is 10.9 per cent. covered 2.9 times.

comment

With some substantial contracts to be completed towards the end of the year, accurate forecasting is impossible. Nevertheless, the group continues to benefit from its past high investment programmes.

comment

First half Year

1975 1974 1973

Turnover 114,160 134,142 134,142

Profit before tax 3,625 2,593 2,593

Overseas tax 61 183 49

Prior year credit 3 75 49

Earnings credit 129 161 117

Minority 6 6 6

Profit, div. 4,155 2,593 2,593

Available 410 260 260

"Doubt."

Main surplus from sales of

pre-tax value.

In the first half ended March

31, 1975, profits have fallen from

£376,000 to £198,000, but "this is

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RECENT ISSUES

EQUITIES

Index	Price	Change	Index	Price	Change
100	172	+1	100	172	+1
100	172	+1	100	172	+1
100	172	+1	100	172	+1

FIXED INTEREST STOCKS

Index	Price	Change	Index	Price	Change
100	172	+1	100	172	+1
100	172	+1	100	172	+1
100	172	+1	100	172	+1

"RIGHTS" OFFERS

Index	Price	Change	Index	Price	Change
100	172	+1	100	172	+1
100	172	+1	100	172	+1
100	172	+1	100	172	+1

MINING NEWS

Swings and roundabouts for Freeport

BY LESLIE PARKER, MINING EDITOR

IT IS A case of swings and roundabouts in the first half results of America's Freeport Minerals with a drop in copper income more than offsetting a rise in that from the company's sulphur production and other activities.

Sulphur and gas

Conversely, higher prices were largely responsible for the improved performance of the sulphur, phosphate and potash operations while the company also benefited from the sales that began last December of its share of natural gas from the Mills Ranch field in Wheeler County, Texas. But the kaolin division continued to feel the effects of the recession in the paper and other kaolin-consuming industries, while exploration and development outlays increased. Second quarter earnings overall were down to 70 cents a share against \$1.10 in the first quarter of the current year.

Freeport considers that "no significant gains" can be expected in copper prices until the industrial production shows improvement. The latest news of the Greenvalley nickel-cobalt project in Queensland, Australia, in which Metals Exploration is a partner is that June production of the main product, nickel oxide, was 2,340 lbs, the equivalent to an annual rate of about 50 per cent of the 46m lbs a year target. Freeport declares a quarterly dividend of 40 cents. The 1974 total payment was \$1.20.

Now it's gold for BHP

IT IS REPORTED from Perth that Australia's iron and steel giant, Broken Hill Proprietary, is to branch out into gold-mining through a joint venture with America's Newmont Mining to open up the Telfer deposit in the

Paterson Range, some 140 miles inland from Nullagine, the discovery of which was announced in 1973. The last news of the venture, in May, was that it had run into inflation problems that had made its viability suspect.

But the new joint venture, Newmont 70 per cent, and BHP 30 per cent, now owned by Andrew Menzies, Western Australia's Mines Minister, that a redesigning of the project has successfully brought capital costs back to within manageable limits. Construction will start immediately. Government approval is given with production from an open-pit operation expected to begin early in 1977 at 1,200 tons of ore daily. Total outlay is put at \$27m (£16.1m).

Telfer could be Western Australia's first significant new gold mine since the 1930s. Moreover, it is in an area of the Great Sandy Desert in the neighbourhood of the legendary Lasseter's Reef which disappeared years ago but then attempts to relocate it by many small prospecting syndicates.

Hampton Areas can earn and take a chance

October, 1974, did not materialise until January, 1975. The second half however showed considerable improvement.

Profit return for two TPG associates

Return to profits are announced by two associates of Thomas Pate and Gladstone China. For the year ended March 31, 1975, Agar Cross is expecting pre-tax profits of some £10,000, against a loss of £23,479 in 1974. Current trading indicates an annual sales rate of £3.2m, against some £1.7m in 1974-75, and the projected trading profit is to the order of £250,000.

Jessel Secs. allowed more time

Jessel Securities and its wholly-owned subsidiary Crinther Securities were given further time in the High Court yesterday to prepare schemes of arrangement, in a bid to stave off compulsory winding-up petitions.

cash and short-term deposits and intends to seek further income-producing opportunities, reckoning that "we should not be dependent solely on the necessarily speculative outcome of exploration." Hampton Areas were 100p in London yesterday.

ST. PIRAN HAS HOPES

In the annual report of a financing company which has been trying to diversify in other fields, the chairman of Saint Piran Mr. Jim Raper expresses the hope that the current recession will be ended within the next 12 months and that this will favourably affect both its mining operations and its residential development.

The Cornish South Crofty tin mine contributed to earnings for the year to March 31 but the Penryn operation there did not operate profitably. Increased production and what are described as other steps being taken will hopefully bring the latter into profitability in due course Mr. Raper says.

Shareholders in America's Ames have ratified the sale of 5.8m shares to Standard Oil of California by an overwhelming majority. As previously announced, the transaction is valued at \$33m (£13.3m), with Ames receiving \$18.5m in cash and 2.5m preferred shares of a Social subsidiary Chevron Oil. The shares of the last-named with a par value of \$5.50 a share pay an annual dividend of \$5.50.

The Anglo American Corporation group's South African Estates says that the selling price for low ash coal to Japan for the period July, 1975, to March, 1976, has been increased to \$150 a ton from \$140 in the past quarter. The company expects the new price to represent the starting point in negotiations for that which will apply when major tonnages are delivered through the new Richards Bay port as from next April.

Australia's Peko-Wallaseid produced only 1,029 tonnes of copper in the 16 weeks to July 8 compared with 3,937 tonnes in the previous period. The reduced output reflects the suspension early in February of copper mining, milling and smelting operations at Tennant Creek and the closure in May of the copper smelter at Mount Morgan for extended maintenance.

Brown Boveri Kent hopes to progress

ALTHOUGH THE downturn in general economic conditions is bound to make order taking more difficult, Mr. J. G. Vaughan, chairman of Brown Boveri Kent, has good reason to be confident about the group's future.

About 50 per cent of total sales are in process control systems, and somewhat half of the remainder in water meters; the rest being in individual products.

Efforts to improve progressively the margins have been partly offset by inflation accelerating to the point of becoming a major national problem and it is expected that this will affect the current year's results.

However, special measures have been taken recently and Mr. Vaughan is hopeful that results will show an improvement in the company's first full year.

A number of important measures have been taken to strengthen the group's management structure and its planning and budgeting procedures, and in addition trading relationships with Brown Boveri (which owns 40 per cent of the capital) are beginning to develop.

In some countries where Kent representation was weak, the sales of systems and products is now done through the Brown Boveri sales network.

The rationalisation project, under which the Muswell Hill and Finchley factories are being closed and production transferred to St. Neots, should be completed by December, and benefits will be felt later in 1976. Adequate provision for moving cost has been made in the budgets for the current year.

With regard to future capital requirements, a number of separate investment programmes are being prepared and a five-year finance plan formulated. Problems involved are being discussed with Brown Boveri, the group's bankers and other institutions to derive the most appropriate means of raising funds.

In the year ended March 29, 1975, group profit came to £355,000, but after tax and abnormal exchange losses there was a net deficit of £774,000.

Meeting: Cornhill Rooms, W.C., Sept. 5 at noon.

H. Miller expands to £101,000

The increase in profit forecast by H. Miller Investments for the year to January 31, 1975 turns out to be from £20,550 to £101,020, after £50,722 (£375) for the first half.

Stated earnings, before deducting an extraordinary item of £50,000 (nil), advanced from 3.40p to 6.3p per 25p share, and the dividend is raised from 1.925p to a maximum permitted 2.0125p net.

The company manufactures accessories and equipment for the motor-cycle, motor, etc., trades

a reasonable level of machine activity without real profitability. He points out that the company is less dependent on group yarn requirements and is making efforts to increase further its sales of yarn to the knitting and weaving trades.

The re-equipment programme will be completed during the year, and 80 per cent of output will be covered by the latest types of machinery. In addition, the mill is now serviced by up-to-date material handling, inspection, warehousing and despatch flow lines.

Turnover for the year to February 28, 1975 was £438m (£431m), and pre-tax profit £45,951 (£123,353). The company is a subsidiary of Parkland Textiles (Holdings).

The past year commenced with a full order book, but there was a downward trend in the second quarter. The company was faced with a drop in demand, coupled with a highly competitive pricing situation, explains Mr. Spencer.

Meeting: Bradford, August 18 at 10.30 a.m.

Reasonable result for Bremar

THOUGH NOT unaffected by the world-wide contraction in financial operations, Bremar Holdings has performed "reasonably well" in the year ended March 31, 1975, write-downs notwithstanding, says the chairman, Mr. E. Brecher.

Profit came to £330,602, against £388,884. After tax, minorities and extraordinary debits (in 1975) the retained profit was marginally higher at £531,193, compared with £508,088.

Bank loan interest charged rose from £614,470 to £326,558, and there was a loss on sale and investment of £161,872 (£20,909).

At March 31, 1975, assets totalled £33.12m (£33.42m). Cash stood at £4.99m (£3.56m), loans to banks £5.09m (£12.06m), loans and advances to customers £19.85m (£15.52m), and amounts due to banks £21.58m (£21.12m).

On prospects, Mr. Brecher says, if the present climate continues, the volume of business—and therefore profits—must be affected to some extent. However, 1975 has started well.

In Brazil, unit trusts are to be established under the management of Brazilian investment banks and brokerage firms in which foreigners can invest. Bremar is considering whether and to what extent it should participate in this new concept.

Smith Bulmer re-equipment

It is not possible to predict with any measure of certainty the outlook for Smith Bulmer and Company for the current year, trade creditors for £27,685. No says the chairman, Mr. B. J. other creditors gave notice supporting or opposing the present situation is one of petition.

Setback for Rivlin in second half

PROFITS MORE than halved to £100,000 in the second six months are reported by L. D. and S. Rivlin Holdings, importers, wholesalers and retail distributors of clothing and textiles.

There was a marginal rise recorded in the first half, but for the year ended February 28, 1975, profit is down from £514,382 to £291,063.

Earnings are 4.85p against 6.13p per 10p share, and the net dividend is 2.376p compared with 2.218p with a final of 1.17p.

Turnover £12,500,000
Directors' emoluments 62,500
Depreciation 71,700
Interest payable 70,000
Profit before tax 291,063
Taxation 18,000
Minority 437
Extraordinary credits 20,000
Net profit 21,580
Preference dividend 2,320
Ordinary 2,320
Rounded 12,164
Includes inter-company £1,220m (£1,790m).

Leicester Textiles

Leicester Textiles, whose registered office is at 61 Cobden Street, Leicester, was compulsorily wound up in the High Court yesterday.

Mr. Justice Templeman made the order on a petition by Kunert & Gesellschaft, of Rankweil, Austria, trade creditors for £27,685. No other creditors gave notice supporting or opposing the present situation is one of petition.

Fitzwilson finance

Fitzwilson, and its merchant bank advisors, announce that discussions are taking place with the bankers to the company regarding the substitution of cash advance facilities for acceptance credit lines.

This is made necessary by the temporary closure of the fertiliser plant, and will ensure that the level of capital available is adequate for the foreseeable future.

BOWRING

C. T. Bowring (Insurance) Holdings announces that C. T. Bowring (Eastern) has been established in Milton Keynes, to promote the Bowring group of companies' insurance and financial services in that and the surrounding region.

Group's Expansion-despite lower Profits

The following are salient points of the statement by the Chairman of Ferguson Industrial Holdings Limited.

Trading profit of £941,805 compared with £1,384,981 for 1974, a drop of 32% on sales of £16,151,124, compared with £15,502,429 a rise of 4.2%. These results must be judged against the substantial decline in private house building activity during 1974. We were particularly involved in this sector whose output fell by nearly 27% last year, with starts and completions falling by 51% and 25% respectively.

We finished the year, having borrowed £400,000 on a 10 year loan, with only £48,645 overdraft. This means that we started our new year with over £1 million unused bank facilities.

A final dividend of 2.448p per share, the maximum permitted increase of 12½%, makes a total dividend of 4.548p per share—twice covered, the 5th year in succession that the rate of dividend has been increased.

First quarter sales are £4,762,000, on which our unaudited management accounts show a

pre tax profit of £150,000. The same quarter last year produced sales of £4,172,000 and a pre tax profit of £225,000. The above profit figures are exclusive of contributions from an associated company of £18,000 and £9,000 respectively.

The current and subsequent quarters' results will benefit from an increasing share of the profits of Wright-Scriven Ltd., of which we now own 68.5% of the equity. An offer in respect of the remaining shares will be made in the very near future. Wright-Scriven have recently reported a record pre tax profit of £325,957 for the year ended 31st March 1975.

I remain optimistic about the future of F.I.H. and every effort is being made to bring into the Group other merchanting or manufacturing concerns that will enable us to keep our cash flow and profits on a steady and upwards trend.

Denis Vernon, Chairman

SEVEN YEAR STATEMENT	1975	1974	1973	1972	1971	1970	1969
Sales	16,151,000	15,502,000	11,802,000	6,749,000	5,462,000	3,444,000	2,125,000
Profit before Taxation	801,000	1,081,000	567,000	213,000	129,000	89,000	57,000
Taxation	430,000	548,000	228,000	88,000	43,000	24,000	28,000
Profit after Taxation	371,000	533,000	339,000	125,000	87,000	65,000	29,000
Dividends	185,000	171,000	125,000	59,000	40,000	17,000	16,000

FERGUSON INDUSTRIAL HOLDINGS LIMITED

Copies of our accounts may be obtained from The Secretary F.I.H. Appleby Castle Cumbria CA16 6XH

BANCO DE SANTANDER

ESTABLISHED IN SPAIN SINCE 1857

At the Annual General Meeting of Banco de Santander held on 28th June 1975, approval was given to the accounts for the year ending on December 31st 1974 and to the recommendations of the board of Directors regarding the distribution of profits for the year.

US. DOLLARS*

*Total income 1974 before expenses	293,892,913
*Total Net Profit	59,352,738
*Transfer to Reserves	32,078,700
This is the third highest transfer to Reserves made by a Spanish Bank.	
*Payment of Dividends to shareholders	11,502,010
*Transfer to Tax Reserves	15,772,028

During the last four years the following increases are noted:

Clients Deposits by:	145.4%
Loans by:	148.8%
Capital by:	115.7%
Reserves by:	161.2%

Market value of outstanding shares US DOLLARS 1,116,338,751 ranking 15th among major Banks in the World in terms of "market value of shares/paid up Capital" Ratio.

BANCO DE SANTANDER HAS

- * 390 Branches throughout Spain and Europe
- * 80,236 Shareholders at 31.12.74
- US. DOLLARS*
- * Total Deposits at 31.12.74 3,257,575,883
- * Total Loans at 31.12.74 2,589,749,487

* (U.S. \$1.00 = PESETAS 56,112)

INTERNATIONAL COMPANY NEWS + EURO MARKETS

Mees en Hope suspended after merger rumours

BY MICHAEL VAN OS

AMSTERDAM, July 28.

DEALINGS IN the shares of the Dutch Mees en Hope Group were suspended on the Amsterdam Stock Exchange today pending a statement to be released here tomorrow. Last Friday, there were rumours circulating on the stock exchange that the group, whose principal activity is in the banking sector, was involved in merger negotiations. The name of the company that may make a bid for the group was Rabobank, according to the reports. Rabobank is the agricultural co-operative banking group which is the largest banking institution in Holland in terms of balance sheet totals.

By far the group's largest subsidiary, Bank Mees en Hope, is Holland's fourth largest commercial bank which has relatively few retailing activities on the Dutch market. The bank contributed Fls2.1m. (up 8 per cent. on 1974) to the group profits last year which were Fls27.1m. (up 10.1 per cent.). The bank's revenue went up a modest 6 per

cent to Fls125.4m. last year and, so far, the company has given no forecasts about the way profits are developing this year. As a result of the merger rumours late last week, the group — in which the U.S. Morgan Guaranty group is the largest single shareholder with 20 per cent. — saw its share price rise to Fls154 at Friday's close which was Fls4 up on the day before. In unofficial late dealings the price had risen to as much as Fls159 on Friday evening.

The Mees en Hope group was subject to merger rumours earlier this year too, after it was revealed that Group Chairman Dr. F. Grapperhaus, a former State Secretary at the Finance Ministry, had resigned after disagreements with the Supervisory Board over the "future course" of the group. It was generally believed, however, that Dr. Grapperhaus had favoured a Mees en Hope merger with another banking group, and the bank mentioned was the

Nederlandsche Middenstands- bank (third in the commercial league) in Amsterdam in which the Dutch Government has a 30 per cent. interest. Bank sources said that the Mees en Hope group had been a contender for a merger with a larger group for some time as had the smaller Pierson, Heldring en Pierson partnership which in fact joined the large Amro group earlier this year. Joining Mees en Hope with a larger group had become desirable as an indirect result of the large demand for credit, caused partially by inflation. The smaller banks in particular have been hard pressed to meet the Central Bank's stringent solvency requirements and the availability of an extensive office network to attract the public's savings was an important factor of help here. At the moment, the Mees en Hope group is being run by Dr. H. Brouwer, the former Supervisory Board chairman of the Pakhoed Storage and Transport group in Rotterdam.

Commerzbank interim report highlights private savings

BY GUY HAWTHIN

FRANKFURT, July 28.

COMMERZBANK, West Germany's third largest commercial bank, reports a noticeable decline in the demand for credit in the first half of 1975. Private savings, however, have increased "at an extraordinary pace," says the bank.

In its interim report, Commerzbank states that banking business in the Federal Republic has been affected by the current economic recession. Business volume, which last year rose to DM32.5bn., increased only marginally to DM32.6bn. in the first six months of the year. In view of the low level of sales, cuts in capital expenditure and the efforts of most companies to reduce inventories, it is hardly surprising that the bank reports that the growth which was achieved came primarily from its foreign branches.

Lending to first class borrowers and public authorities increased to offset the reduced financial needs of German trade and industry, says the bank. Advances to customers were well maintained compared with mid-1974, but still remained some 1.6 per cent. down against the total at the year-end.

Consumer credit, however, revived considerably in the first half. The balance between new lending and repayments

increased by some DM55m. At the same time, discount credits compared with the December 31 level, although they remained above the June 30, 1974, total. Private savings rose to a new record for the bank. They rose by DM980m. to DM7.25bn. There was also a marked growth of interest in savings deposits subject to specially arranged periods of withdrawal notice.

These higher yield deposits went up by 16.3 per cent., compared with the deposits subject to the minimum legal withdrawal period which increased by 10.5 per cent. over the six months. Sales of savings certificates totalled DM123m.

There were also two DM50m. issues of 8 per cent. Commerzbank bonds, the first maturing in six years and the second with a seven year maturity, to reinforce longer term lending capacity. The issues enabled the bank to grant six-year fixed interest credits to small and medium sized businesses.

The bank's presence overseas is to be expanded and representative offices are to be opened in Moscow, Cairo and Jakarta. Since the beginning of the year, 13 new offices have been opened in the Federal Republic, including seven branches in Southern Germany, an area in

which the bank was not represented. Earnings in the first half of 1975 were satisfactory, says the report. Interest margins were somewhat lower than the very high level reached in the autumn of 1974, but net interest income stood 11.7 per cent. above the halved 1974 figure.

Commission receipts rose, reflecting the high level of activity in the bank's issue and stock market business. The bank also realised substantial profits through its own securities dealings, says the report.

Against this, however, administrative expenditure rose by a hefty 10.8 per cent. Personnel costs went up by 10.5 per cent. as a result of a 5.5 per cent. pay award, increases in staff and improved social benefits.

Overall, net interest and commission income in the first six months totalled DM390.5m. This exceeded half the previous year's earnings by DM60.4m., while total current expenditure grew by DM38.1m. The bank comments: "the balance of these figures—and thus the decisive component of our operating results—rose by DM22.3m. (but) in this connection, one should not overlook the fact that risks in the lending business have generally become larger."

Attempts to bail out Patrick

By Kenneth Randall

CANBERRA, July 28.

MAJOR CREDITORS of the embattled Patrick group of stock-broking and finance companies agreed today on a temporary deferral of action pending attempts to raise about \$42m. necessary to bail out the group.

The creditors, who are not identifying themselves at this stage, met in Sydney amid widespread speculation that an approach might be made to the Government to rescue the group because of the repercussions of a collapse.

Patrick Partners, Australia's biggest stockbrokers, closed their doors today and a provisional liquidator began examining the affairs of their principal investment, Patrick Corporation.

Patrick International Acceptances, wholly owned by Patrick Partners, placed Patrick Corporation in liquidation after Patrick Corporation had advised that it could not repay \$42.1m. owed to PIA, should it be called.

Patrick Partners itself has \$42.2m. on deposit with PIA and regards its recovery as doubtful, according to a statement issued by the firm last night. The Committee of the Sydney Stock Exchange today appointed a Receiver to Patrick Partners—Mr. G. W. Killeher, of the accountants Peat, Marwick and Mitchell.

After today's informal meeting with creditors, Directors of Patrick Corporation issued a statement saying they had been given "a short time" to study possible reconstruction. Creditors had agreed on the action without legal commitment.

Mr. J. H. Jamieson, senior partner of the accountants Coopers and Lybrand, who has been appointed Trustee by each of the 12 partners in Patrick Partners, said later that \$42m. would have to be found by the end of the week if a rescue was to succeed.

It would be a risk investment, not a commercial proposition, and he was not encouraging anyone to undertake it without knowing the situation.

Earlier today, the New South Wales Government asked its Corporate Affairs Commission to investigate the affairs of the Patrick Group but there is no indication of when an inquiry might start. The full ramifications of the collapse in other directions are also unclear as yet.

Mr. Jamieson said it was too early to know the causes of Patrick's troubles. The chances of Federal Government assistance to the ailing group seem slight in the time available.

Poland plans major Euromarket borrowing for coal project

BY DAVID LASCELLES, EAST EUROPE CORRESPONDENT

POLAND, which rates as one of Comecon's most active borrowers on the Eurocurrency markets, hopes to negotiate another major loan in the coming months, Polish banking sources confirmed in London yesterday. The news comes only a few weeks after Poland's last big foray into the capital markets, the \$240m. copper development loan concluded in May. But Poland is confident that its creditworthiness will stand another large borrowing.

The loan will be tied to the development of Poland's recently discovered hard coal deposits near Lublin in the eastern part of the country. According to the Poles, the requirements will be less than the copper loan, but could be in the region of \$200m.

It remains to be seen whether the loan will be made in the name of Bank Handlowy, the Polish trade bank which has been responsible for most of Poland's borrowing in recent years. An alternative borrower might be Wegielnik, the state coal trading agency.

Like the copper loan, prospective lenders for the coal project will be given full details of the development as well as of Poland's coal export prospects and sales plans. This willingness to open the books, combined with the strength of coal as a

basis for borrowing are among the reasons why Poland is confident about the loan. The extent of Western participation in the Lublin project is believed to be under discussion. But at the moment the official Polish position is that work will go ahead without outside help.

The copper loan, meanwhile, appears to have set new precedents in East-West trade, and a simply because it showed that a Comecon country was willing to be very open about its plans.

The Poles have confirmed that the loan agreement allows the lenders periodic access to facts and figures about both copper production and foreign sales. Theoretically, too, there is the provision that if foreign earnings from copper show signs of flagging, the lenders can demand that more of it be sold on hard currency markets. Presumably, this might even include demands that copper be diverted from other Comecon customers.

But while they do not deny that the Poles point out that their ability to repay the copper loan would be unimpaired by poor copper sales since they would simply draw on resources from elsewhere, there is believed to be dissatisfaction in Poland about the terms of the loan, which carry obvious political implications. But it seems a unlikely that Poland was forced

to accept them against its will because the loan was heavily oversubscribed and was increased from the \$200m. originally envisaged.

Polish sources yesterday firmly denied a report that a recent French loan for coal development had to be guaranteed by a French bank to make it acceptable.

Despite their heavy borrowing under the leadership of Mr. Edward Gierk aimed specifically at vastly increasing Poland's industrial output, the Poles claim that their basic payments position is still strong.

Refusing to give details of reserves, they say that their total exports, from East and West, and that debt servicing accounts for 23 to 25 per cent. of present foreign earnings. This is believed to be lower than the Soviet Union's position which, according to calculations by the Economic Commission for Europe, is closer to 20 per cent. widely regarded as the highest acceptable limit.

According to the Poles, they are now reaching the end of their current bout of borrowing, and the coal loan looks as if it could be the last deal of its kind for some time. With most of the major investments under way, Poland is now looking for a large increase in exports as its new projects come on stream.

Pertamina \$1.5bn. loan report

A SPOKESMAN for Deutsche Bank would neither confirm nor deny a report from Djakarta that Dr. Hermann Albrecht had offered Pertamina a \$1.5bn. loan on behalf of a consortium of German banks. Dr. Albrecht is chairman of Deutsche Bank's Supervisory Board and one of Germany's foremost bankers.

The report quoted Pertamina sources as saying that Dr. Albrecht made the offer to General Tjiptono, head of Pertamina. The loan would be used to overcome Pertamina's financial difficulties, the report continued, and to complete the Krakatau steel plant at Cilacap. Possible terms include a maturity of 15 to 20 years and an interest rate of 8 per cent, it suggested.

Euromarket banking sources appear to have no knowledge of the report, but a question of the likelihood of commercial banks lending on such concessional terms. However, they point out that German companies are closely involved with many of the steel projects in Indonesia. A mission from the Krupp steel company is reported to be observing Pertamina projects in Kalimantan at present.

NEW YORK, July 28. LITTON INDUSTRIES has officially told the Securities and Exchange Commission that it has "liquidity problems" stemming from the U.S. Defence Department's refusal to make partial payments on compensation claims for the company's assault ship and two submarines contracts.

The conglomerate's disclosure came in a special 8-K form filing with the SEC late last week. Earlier the SEC had demanded details concerning Litton's renounced representations to the Navy over its liquidity. Litton said that it has filed with the Armed Services Board for additional compensation of \$44m. on the three contracts, but that the Navy, while acknowledging that it does owe compensation, has refused to make partial payments.

Litton said that it has held "long and very frank" discussions with the SEC late last week during which they have been told that the company's shipbuilding division is experiencing a negative cash flow. The company refused to comment on the size of this.

These "exhaustive" discussions had ended, Litton said, "approaches or possible circumstances which are extremely remote and highly undesirable." These included the possibility that Litton's liquidity would force it into chapter 11 bankruptcy, that the government would seize the company's assets, or that the company would drop the half-completed contracts. Litton stressed that none of these "solutions" were likely to occur in practice.

The company told the SEC that neither it nor the Navy was threatening the other with dire consequences. "We were only saying the bad things that could happen if we indulge in negative thinking and do not work together to solve mutual problems."

It said that from the immediate problem of the size of partial compensation pending a full agreement, Litton and the Navy clearly remain in sharp disagreement as to the size of the final adjustment, needed for the contract cost of \$123m. As far as the assault ship contract alone is concerned, Litton's estimate of the contract cost of \$123m. compares with the Navy's \$868.8m.

Sharp decline for Gulf Oil

NEW YORK, July 28. GULF OIL, following the industry pattern of lower second-quarter earnings, today reported net income of \$160m., or 82 cents a share, down 49 per cent. from last year's June quarter net of \$315m., or \$1.62 a share. Unlike many of the other oil majors, however, Gulf reported a substantial drop in revenues for the quarter, with gross sales down 20 per cent. to \$3.26bn. from \$4.32bn. the year before.

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Japanese Government may rescue Terukuni Kaiun

BY PETER DUMINY

TOKYO, July 28.

THE FATE of Terukuni Kaiun, one of Japan's ten biggest ship operators, is now in the hands of the Ministry of Transport and Bank.

The company concedes that the state's large existing involvement is one ground for hoping that it will be bailed out. It also holds several million shares in the company, which has been hit by the tanker market slump.

Terukuni's financial problems emerged last week when one of its vessels, the 140,000-ton *Usa Maru*, was attached to Genoa on the initiative of shipping creditors, alleging non-payment of charter fees. The company obtained a temporary moratorium in respect of debts under charter. Of this total \$35m. on July 4.

As a result, the company has accumulated debts of \$118m. reportedly including borrowings of around \$50m. from the Government-backed Japan Development Bank.

The Japanese financial establishment would be unlikely to permit financial difficulties to become endemic in an industry which is considered to have been hit by factors beyond its control. Shipping companies are

in addition under official pressure to participate in a "scrap and build" programme to help shipbuilders through the slump.

In that industry—those who join the scheme will undoubtedly demand the quick pay-off of financial safety nets.

The more representative Terukuni's case appears to be the stronger its chances of getting the funds it needs. While the outcome is undecided, it will count in Terukuni's favour that the main shareholders are important companies, including Japan Lines (36 per cent.), Long-term Credit Bank (8 per cent.), and insurance, shipbuilding and steel companies. Terukuni does not have a stock exchange listing.

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The more representative Terukuni's case appears to be the stronger its chances of getting the funds it needs. While the outcome is undecided, it will count in Terukuni's favour that the main shareholders are important companies, including Japan Lines (36 per cent.), Long-term Credit Bank (8 per cent.), and insurance, shipbuilding and steel companies. Terukuni does not have a stock exchange listing.

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Montedison state holdings row

BY ANTHONY ROBINSON

ROME, July 28.

A NEW attempt to reorganise the Italian state's direct and indirect shareholdings in the Montedison chemical complex has sparked off a fierce row between the Minister of State Shareholdings Antonio Bisaglia and the Communist Party's chief economic spokesman Sig. Luciano Barca.

Sig. Bisaglia has drawn up a draft plan which he has put before the economic planning Board CIPE. This proposes to set up a special holding company to collect together all the shares in Montedison now controlled by the state holding companies ENI and IRI and the state controlled credit institutes IMI, Mediobanca and ICIPU. Taken together these holdings represent around 30 per cent. of the total Montedison share capital and would make the new holding company by far the

largest single shareholder in Montedison.

At present these shares are scattered in a kind of *Ensemble Chinoise* which should be a public body incorporated in the formal State Shareholdings system. It believes that in this way the economic planning authorities will be better able to plan the overall future of the industry in which the state has invested vast sums in investment grants, as well as through direct investment in Montedison shares and control of the second largest chemical company Anic, which is a subsidiary of ENI.

In spite of all this massive state spending the major chemical companies up to now have virtually ignored all the planning guidelines laid down for them thanks to a network of political cover and protection outside the formal institutional framework.

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Citroen renegotiates loans

BY MARY CAMPBELL

THE FRENCH car company Citroen has negotiated a \$40m. five-year loan with Credit Suisse. Market sources report that the loan is guaranteed by Michelin and that the spread is 14 per cent.

The loan involves a consolidation of short term debt contracted by Citroen with the same bank during 1974. Reuters reports from Paris. The total amount of this borrowing is said to have been \$60m. with \$20m. now repaid.

Revised terms are also said to have been negotiated for a Frs350m. credit arranged by Michelin on Citroen's behalf a year ago with Caisse des Depots and other State institutions.

The previously reported seven-year loan for the Kingdom of Morocco is now in the market. The potential amount of the loan has been raised from the \$100m.

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WALL STREET OVERSEAS MARKETS + FOREIGN EXCHANGES

Off further 6 on domestic pressures Dollar firmer

BY OUR WALL STREET CORRESPONDENT

THE DECLINE continued on Wall Street today, reflecting mid-September tensions and a variety of domestic pressures.

The Dow Jones Industrial Average lost another 6.25 to 27.53 and the NYSE All Common Index gave way a further 30 cents to 447.51, while declines outpaced gains by 108.5 to 345. But the trading volume contracted another 200,000 shares to 1,555.0.

Pressure of rising U.S. interest rates continued, with a prime rate increase to 7 1/2 per cent from 7 1/4 per cent, spreading among major banks.

Brokers also reported apprehension that the Federal Reserve Board might continue to tighten its monetary policy because of continuing growth in the money supply.

Wall Street showed no immediate reaction to the Commerce Department report of a record U.S. trade surplus in June.

Semiconductor shares continued to encounter selling pressure. Fairchild Semiconductor slipped 3 1/4 to \$47, on its sharply lower second quarter profits.

National Semiconductor shed 5 1/4 to \$27, and Motorola moved 1 1/4 to \$47.25. But Texas Instruments were firm despite reduced quarterly profits.

Gold Oil, Occidental Petroleum and Phillips Petroleum each eased after reporting lower earnings. Heavily traded Continental Oil gave way 1 1/4 to \$23 1/4.

Du Pont slipped 1 1/4 to \$12 1/4 among chemicals. Steels were narrowly mixed.

Market eased, pending second quarter earnings.

General Mills finished unchanged at \$43 1/4, following a two-for-one stock split and an increase in the quarterly dividend.

Teledyne gained 1 1/4 to \$30 1/4, on sharply higher second quarter net.

Martin Marietta tacked on \$1 1/4 to \$17 1/4, following a \$2 1/2 dividend for development of a laser-guided artillery shell.

Playboy Enterprises jumped 3 1/4 to \$41, on its London club setting up a bookmaking operation.

Union declined 1/4 to \$6 1/4, on liquidity problems.

Union Oil of California fell 1/4 to \$4 1/4, on substantially lower second quarter net.

The American SE Market Value Index moved down 0.80 to 50.24, with declines outnumbering advances by 407 to 165.

Canada again lower

Canadian Stock markets lost further ground in light trading yesterday morning.

The Industrial Share Index dipped 0.23 to 189.72. Base Metals

0.17 to 78.52. Western Oils 1.24 to 183.53. Utilities 0.05 to 129.53 and Papers 0.11 to 113.74. But Gains moved up 2.04 to 287.33 and Bonds 0.54 to 275.13.

Among Oils, Dome Petroleum lost 1/4 to \$27 1/4 and Home Oil "A" 1/4 to \$27 1/4.

Canadian Industrial Gas and Oil were up 1/4 to \$7 1/4 on 25,410 shares. Hudson's Bay Oil and Gas held unchanged at \$30, following its higher first half earnings last week.

ATCO Industries "A" rose 1/4 to \$21 1/4 on higher first quarter earnings.

PARIS—Firm in active trading, ahead of possible economic measures.

Stocks, Bonds, Rubbers, Constructions, Motors, Electricals and Chemicals were all better.

In Foreign Stocks, Americans, Germans and Dutch issues were irregular. International Oils eased, while Gold and Coppers remained firm.

BRUSSELS—Steady to slightly firm in quiet trading.

PNV rose Frs 1.90, but Sofina lost Frs 3.35 to 3.30, and Union Miniere shed Frs 1.20 to 1.30.

Gold Mines firmed following the London bullion fixing. German stocks were steady.

U.S. issues with Wall Street, but other Foreign stocks were little changed.

AMSTERDAM—Steady in slow trading.

Among Internationals, Akzo shed Fls 0.5, Philips Fls 0.10, Royal Dutch Fls 0.30.

Bank rose. Agencen Bank Nederland moved up Fls 3.50 to 3.40 and Amsterdam-Rotterdam Bank firmed Fls 0.4 to 0.4. Trade was suspended in shares of Bank Mess and Hope—a communiqué can be expected today.

Insurance, Transportations and Dutch Industrials were mostly steady.

Bonds gained an average of Fls 0.20 to Fls 0.20.

GERMANY—Shares closed predominantly higher, but business more active in Machines and Chemicals.

MELBOURNE YIELDS

July 28 1975

On 100,000 7.43 7.38 7.20

On 50,000 7.43 7.38 7.20

On 25,000 7.43 7.38 7.20

On 12,500 7.43 7.38 7.20

On 6,250 7.43 7.38 7.20

On 3,125 7.43 7.38 7.20

On 1,562 7.43 7.38 7.20

On 781 7.43 7.38 7.20

On 390 7.43 7.38 7.20

On 195 7.43 7.38 7.20

On 97 7.43 7.38 7.20

U.S. STOCK INDICES

STANDARD AND POORS

July 28 1975

On 100,000 7.43 7.38 7.20

On 50,000 7.43 7.38 7.20

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STOCK AND BOND YIELDS

July 28 1975

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July 28 1975

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FARMING AND RAW MATERIALS

Tin values higher in London

By Our Commodities Staff

TIN PRICES rose steadily throughout the day on the London Metal Exchange yesterday following the \$15 a picul increase in the Straits tin price in Penang over the week-end.

By the close, standard cash tin had risen by 44.5 to £3,181.5 a tonne, while the three months position was £3,185 up, at £3,185 a tonne. Tin stocks in LME warehouses fell by 85 tonnes, to 5,435.

Copper stocks rose by 8,250 tonnes to a new peak of 334,375 tonnes, but with little if any impact on the market which opened firm. At the close, cash wirebars were £1.75 higher, at £574.75 a tonne.

Small gains also were recorded in the lead market where cash lead finished at £170.575 a tonne, up 1.625. Lead stocks rose by 600 tonnes, to 57,850, but zinc stocks fell 500, to 21,575. Cash zinc closed £1.25 up, at £321.5 a tonne.

London silver prices followed the strong upward movement in New York, the spot bullion price closing 2.6p up, at 223.5p a troy ounce. Silver stocks in LME warehouses fell 160,000 ounces, to 14,080,000 ounces.

Sharp fall in cocoa market

By Our Commodities Staff

COCOA PRICES fell sharply on the London terminal market yesterday with the September position ending at £602.75 a tonne, 54.75 below Friday's closing quotation.

The initial decline was seen as a reaction to the rise which had lifted September cocoa by nearly £200 a tonne in just over a month. But this triggered profit-taking and stop loss sales as well as belated hedging against recent physical purchases by manufacturers.

The decline was aided by the availability of cheaper cocoa on the actual market, particularly from the African new crop.

Purchases of Ghana midcrop cocoa for the seventh week of the season (to July 24) are estimated at 420 tons, according to the Ghana Cocoa Marketing Board, reports Reuters from Accra. This brings total midcrop purchases this season to an estimated 3,855 tons, against 4,235 tons after seven weeks last year.

Soviet buying speculation excites grain markets

BY PETER BULLEN

RENEWED SPECULATION over the eventual quantity of grain that the Soviet Union will buy this year caused a further flurry of excitement on world markets yesterday.

Prices on the Chicago grain market opened sharply higher—many by the maximum permissible—due mainly to pre-week-end statements by U.S. Department of Agriculture officials that, despite Soviet purchases of over 13.6m. tons of grain so far, the USSR might eventually have to buy far more.

Contributing to the firmness in the Chicago grain pits were weather reports from Iowa which produces some 20 per cent of the U.S. maize crop, which said rain was urgently needed.

In London, grain markets were firm but more subdued than in Chicago. English milling wheat rose by 20s. to £90.25 a ton, and home barley futures were up 20.25 to £38 a ton.

During the day, Reuters reported from Cairo that Egypt would buy 1m. tonnes of wheat

from the EEC this year at a maximum price of \$175 a tonne under a multi-million dollar three-year agreement covering meat, sugar and dairy products as well as wheat.

And from Porto Alegre, the director general of Brazil's National Wheat Marketing Board, Sr. Humberto Garofalo, was reported to have forecast that the recent frost may cut Brazil's wheat crop from the expected 3.7m. tonnes, to 2.5m.

Dry weather

But the major influence on grain prices for some time to come is still expected to be the Soviet Union's purchases. USDA estimates that the Soviet grain harvest may now be as low as 185m. tons because of hot, dry weather in major grain producing areas of the USSR have led to the suggestion that Russian purchases may eventually be larger than those made in 1972, when the U.S. alone sold them 19m. tons.

At present the U.S. estimates that it could provide another 4m. or 5m. tons to the Russians with our difficulty and without causing any great upheaval on its domestic market. It is expected, however, that the USSR will refrain from making further purchases from the USDA's next estimate of the domestic grain harvest is published in a fortnight.

A more optimistic tone of prospects of the U.K. grain harvest was evident in the Ministry of Agriculture's weekly report, issued yesterday.

Harvesting of winter barley continues with average or a little above average yields it is said. Straw is being quickly baled and gathered. Early spring barley will be ready for cutting in some parts next week and winter wheat will be a little later.

The weather in many parts of the country has improved the prospects for late sown cereals. Aphids are now leaving the winter wheat and damage only appears to be serious in isolated patches. Foliage disease has not caused serious loss. It states.

EEC in Egypt, food deal Page 5

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EEC in Egypt, food deal Page 5

Coffee crop threatened in Angola

By Our Commodities Staff

THE ANGOLAN situation took over from the Brazilian frost as the major factor in the coffee market yesterday. Concern for the Angolan crop, threatened by a serious labour shortage because of the civil unrest, boosted the September position on the London terminal market to £765 a tonne at one stage.

A major sell-off later brought a sharp turnaround, however, and September coffee closed at £718 a tonne, up 28.25 on the day. The late fall followed the resumption of trading in New York where coffee prices had been locked at 100c for several days.

Angola's coffee is normally picked in May, June and July by casual workers who travel great distances for the work. This year, however, the workers are reluctant to travel in the face of the civil unrest.

As a result, some 60 per cent of the crop remains to be picked and the final outcome could be as low as 1m. bags, against 2m. last year.

Apart from the threat to production, shipment of picked coffee has virtually come to a standstill. So there is little prospect of the large stock of coffee being bled off.

As a result of a string of port strikes earlier this year, finding its way to consumers in the near future.

Japan may help natural rubber producers

JAKARTA, July 28.

THE JAPANESE Government had agreed to ask Japanese synthetic rubber factories to help in protecting natural rubber products of countries in the Association of South-East Asian Nations (ASEAN) from heavy competition from synthetic rubber, an Indonesian government spokesman said.

The agreement was reached in three days of meetings on synthetic rubber between Japan and representatives of the ASEAN countries—Singapore, Malaysia, Thailand, the Philippines and Indonesia.

Japan had agreed to send synthetic rubber experts to ASEAN countries to assist in improving the quality of natural rubber products, and to plan a joint research project on the possibility of combining synthetic and natural rubber for road building and other purposes, the spokesman said.

Reuters

PIG MARKETING

Footing the bill for independent grading

BY DAVID RICHARDSON

THE FATSTOCK guarantee scheme for pigs comes to an end on Thursday after 30 years of existence. For the past three years, no payments have been made under the scheme as market prices have been above the guaranteed level.

That does not mean to say that pig profits have been high for that period, indeed most producers lost money on pigs for several months last year. But the U.K. Government has fixed pig guarantees so low as to be ineffectual. Presumably, this is in anticipation of full EEC membership, where the threshold price and intervention procedures for pig meat are nominal only and have never been used to my knowledge.

The withdrawal of the scheme will have no immediate effect on producers' returns. An integral part of the guarantee scheme, however, has been the recording, or certification as it is known, of the weights, numbers and numbers of all pigs sold for slaughter. This has been undertaken for the Government by officers of the Meat and Livestock Commission (MLC), who also classify or grade carcasses where required.

Privately, MLC officials admit that they can only continue to weigh and classify carcasses for a few months within their present budget. Keeping the service going, they claim, will cost between 6p and 9p per pig and they are searching for ways of raising the extra money without affecting the meat trade or farmers.

This would be a difficult enough job at any time, but following a 100 per cent increase this year in the MLC levy charged on all pigs slaughtered (from 10p to 20p per pig), the Government has made a week of talks by the committee here.

The MLC is at pains to point out that 4p of the 20p levy is

specifically for advertising, leaving 16p to cover all other costs. This gives them an income from just over 12m. pigs of about £2m a year. Further levy of, say, 5p on the 75 per cent of pigs which they believe should still be weighed and classified by them after the end of this month would bring in a further £700,000, replacing only half the loss of income from the Government.

Reactions

But reactions from pig factory managers, when I suggested that they might be asked to pay still more to MLC to retain weighing and grading services, ranged from disbelief to horror. They all pointed out that it was debatable whether they got value for money at present. It was a pig farmer myself, I can only record my own dismay at the prospect of yet another increase. On our farm alone, the levy contribution from pigs to MLC's running costs is already about £900 per year.

On the other hand, most people in all branches of the pig trade agree that it is desirable to retain the service. When the measurement of a few millimetres of fat on a pig's back can alter the price paid for a pig by up to £5, the independence of the person measuring breeds confidence on both sides of the deal.

But there must be a limit to what the Government is worth. One bacon factory manager suggested that it might be cheaper for farmer and factory to combine to employ their own graders, rather than face what he regards as excessive payment to MLC. Another was confident that if administration of the Commission was more efficient, all existing services could be provided within the 20p per pig levy.

MLC income

About 70 per cent of all U.K. pigs are classified in this way at present. Most major pig contracts are geared to figures taken from these records, from which are calculated the weekly Average Producers' Return (APR), which in turn provides a base line for price fixing.

The end of the guarantee scheme will mean that the Government will have no further need for certified weights and numbers of pigs and officials at the Ministry of Agriculture have let it be known that there will be no further financial support for MLC to continue to provide

MR. GAMANI COREA, secretary-general of the UN Conference on Trade and Development (UNCTAD), has been authorised by the United Nations committee to discuss plans for a buffer stock of major commodities with Government representatives, according to committee chairman Indrajit Singh Chaudhary.

Mr. Corea is expected to convene up to five meetings with Government representatives to discuss details of the \$3bn. plan. He has been asked to consult with Government commodity bodies and other organisations. The committee on commodities includes multilateral and bilateral arrangements, and compensatory financing as well as a buffer stock.

Reuters

New multi-commodity pact talks planned

GENEVA, July 28.

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Reuters

COMMODITY MARKET REPORTS

BASE METALS

COPPER—Remained firm, albeit in relatively quiet trading on the London Metal Exchange. Despite the higher than expected further rise in warehouse stocks, prices moved higher before the morning session. Lead selling was also seen, but subsequent recovery before the market here and forward wirebars traded up to 50s. best of 580p in afternoon. Lead, turnover, 15,000 tonnes.

Amalgamated Metal Group reported that in the morning cash wirebars

	Official	Unofficial	Change
Copper	574.5	574.5	+1.75
Lead	580.0	580.0	+1.25
Zinc	321.5	321.5	+0.25
Aluminium	1,100.0	1,100.0	+0.50

	Official	Unofficial	Change
Gold	1,100.0	1,100.0	+0.50
Silver	223.5	223.5	+0.25
Platinum	1,100.0	1,100.0	+0.50
Palladium	1,100.0	1,100.0	+0.50

	Official	Unofficial	Change
Iron	1,100.0	1,100.0	+0.50
Steel	1,100.0	1,100.0	+0.50
Coal	1,100.0	1,100.0	+0.50
Oil	1,100.0	1,100.0	+0.50

	Official	Unofficial	Change
Wheat	1,100.0	1,100.0	+0.50
Barley	1,100.0	1,100.0	+0.50
Oats	1,100.0	1,100.0	+0.50
Rye	1,100.0	1,100.0	+0.50

	Official	Unofficial	Change
Maize	1,100.0	1,100.0	+0.50
Soybeans	1,100.0	1,100.0	+0.50
Wheat	1,100.0	1,100.0	+0.50
Barley	1,100.0	1,100.0	+0.50

	Official	Unofficial	Change
Wheat	1,100.0	1,100.0	+0.50
Barley	1,100.0	1,100.0	+0.50
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Rye	1,100.0	1,100.0	+0.50

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Wheat	1,100.0	1,100.0	+0.50
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Oats	1,100.0	1,100.0	+0.50
Rye	1,100.0	1,100.0	+0.50

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Most people know that large amounts of money can be made in commodities. What some do not is that technical analysis and charting can vastly improve the odds. The best guide to this "Commodities—the best speculation" has now been updated and extended and is available price £2.50 from Investment Research, 25 Fenton Street, Cambridge.

PERSONAL

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APPEALS

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The first of 1,000 children have been saved by research into congenital heart disease. Please send your donation to the Mend A Child's Heart Appeal, 25 Fenton Street, Cambridge.

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COFFEE

Robusta terminal drifted lower during the early afternoon but the decline accelerated sharply under profit-taking. Prices moved higher before the morning session. Lead selling was also seen, but subsequent recovery before the market here and forward wirebars traded up to 50s. best of 580p in afternoon. Lead, turnover, 15,000 tonnes.

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For further information write to the Headmaster's Secretary.

• BRITISH FUNDS

High	Low	Stock	to Five	Years	Yield
			100		Per Cent
99 1/2	94 1/2	"Short" 1000000 1000000	99 1/2	94 1/2	9.05
100 1/2	96 1/2	Treasury Note 1000000	100 1/2	96 1/2	9.05
102 1/2	96 1/2	Treasury Note 1000000	102 1/2	96 1/2	9.05
103 1/2	96 1/2	Treasury Note 1000000	103 1/2	96 1/2	9.05
104 1/2	96 1/2	Treasury Note 1000000	104 1/2	96 1/2	9.05
105 1/2	96 1/2	Treasury Note 1000000	105 1/2	96 1/2	9.05
106 1/2	96 1/2	Treasury Note 1000000	106 1/2	96 1/2	9.05
107 1/2	96 1/2	Treasury Note 1000000	107 1/2	96 1/2	9.05
108 1/2	96 1/2	Treasury Note 1000000	108 1/2	96 1/2	9.05
109 1/2	96 1/2	Treasury Note 1000000	109 1/2	96 1/2	9.05
110 1/2	96 1/2	Treasury Note 1000000	110 1/2	96 1/2	9.05
111 1/2	96 1/2	Treasury Note 1000000	111 1/2	96 1/2	9.05
112 1/2	96 1/2	Treasury Note 1000000	112 1/2	96 1/2	9.05
113 1/2	96 1/2	Treasury Note 1000000	113 1/2	96 1/2	9.05
114 1/2	96 1/2	Treasury Note 1000000	114 1/2	96 1/2	9.05
115 1/2	96 1/2	Treasury Note 1000000	115 1/2	96 1/2	9.05
116 1/2	96 1/2	Treasury Note 1000000	116 1/2	96 1/2	9.05
117 1/2	96 1/2	Treasury Note 1000000	117 1/2	96 1/2	9.05
118 1/2	96 1/2	Treasury Note 1000000	118 1/2	96 1/2	9.05
119 1/2	96 1/2	Treasury Note 1000000	119 1/2	96 1/2	9.05
120 1/2	96 1/2	Treasury Note 1000000	120 1/2	96 1/2	9.05
121 1/2	96 1/2	Treasury Note 1000000	121 1/2	96 1/2	9.05
122 1/2	96 1/2	Treasury Note 1000000	122 1/2	96 1/2	9.05
123 1/2	96 1/2	Treasury Note 1000000	123 1/2	96 1/2	9.05
124 1/2	96 1/2	Treasury Note 1000000	124 1/2	96 1/2	9.05
125 1/2	96 1/2	Treasury Note 1000000	125 1/2	96 1/2	9.05
126 1/2	96 1/2	Treasury Note 1000000	126 1/2	96 1/2	9.05
127 1/2	96 1/2	Treasury Note 1000000	127 1/2	96 1/2	9.05
128 1/2	96 1/2	Treasury Note 1000000	128 1/2	96 1/2	9.05
129 1/2	96 1/2	Treasury Note 1000000	129 1/2	96 1/2	9.05
130 1/2	96 1/2	Treasury Note 1000000	130 1/2	96 1/2	9.05
131 1/2	96 1/2	Treasury Note 1000000	131 1/2	96 1/2	9.05
132 1/2	96 1/2	Treasury Note 1000000	132 1/2	96 1/2	9.05
133 1/2	96 1/2	Treasury Note 1000000	133 1/2	96 1/2	9.05
134 1/2	96 1/2	Treasury Note 1000000	134 1/2	96 1/2	9.05
135 1/2	96 1/2	Treasury Note 1000000	135 1/2	96 1/2	9.05
136 1/2	96 1/2	Treasury Note 1000000	136 1/2	96 1/2	9.05
137 1/2	96 1/2	Treasury Note 1000000	137 1/2	96 1/2	9.05
138 1/2	96 1/2	Treasury Note 1000000	138 1/2	96 1/2	9.05
139 1/2	96 1/2	Treasury Note 1000000	139 1/2	96 1/2	9.05
140 1/2	96 1/2	Treasury Note 1000000	140 1/2	96 1/2	9.05
141 1/2	96 1/2	Treasury Note 1000000	141 1/2	96 1/2	9.05
142 1/2	96 1/2	Treasury Note 1000000	142 1/2	96 1/2	9.05
143 1/2	96 1/2	Treasury Note 1000000	143 1/2	96 1/2	9.05
144 1/2	96 1/2	Treasury Note 1000000	144 1/2	96 1/2	9.05
145 1/2	96 1/2	Treasury Note 1000000	145 1/2	96 1/2	9.05
146 1/2	96 1/2	Treasury Note 1000000	146 1/2	96 1/2	9.05
147 1/2	96 1/2	Treasury Note 1000000	147 1/2	96 1/2	9.05
148 1/2	96 1/2	Treasury Note 1000000	148 1/2	96 1/2	9.05
149 1/2	96 1/2	Treasury Note 1000000	149 1/2	96 1/2	9.05
150 1/2	96 1/2	Treasury Note 1000000	150 1/2	96 1/2	9.05
151 1/2	96 1/2	Treasury Note 1000000	151 1/2	96 1/2	

INTERNATIONAL BANK

[illegible]

SAITHU, C. 1970: 134.

Year	Age	Sex	Height	Weight	Build	Complexion	Hair	Eyes	Mouth	Teeth	Other	Remarks
1971	67	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1972	68	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1973	69	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1974	70	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1975	71	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1976	72	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1977	73	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1978	74	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1979	75	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1980	76	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1981	77	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1982	78	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1983	79	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1984	80	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1985	81	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1986	82	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1987	83	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1988	84	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1989	85	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1990	86	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1991	87	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1992	88	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1993	89	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1994	90	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1995	91	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1996	92	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1997	93	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1998	94	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
1999	95	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
2000	96	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
2001	97	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
2002	98	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
2003	99	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		
2004	100	M	5' 10"	175	Medium	Light	Black	Blue	Small	Good		

0.3NS (50:50:1)

47	26	Atre. May 1975	44	11.57	14.53	73
48	26	Ch. an. May 1975	70	15.72	15.35	100
49	26	Ch. an. May 1975	52	13.69	14.53	100
50	26	Ch. an. May 1975	109	14.78	14.53	100
51	26	Ch. an. May 1975	59	15.37	14.53	100
52	26	Ch. an. May 1975	61	15.37	14.53	100
53	26	Ch. an. May 1975	61	15.37	14.53	100
54	26	Ch. an. May 1975	61	15.37	14.53	100
55	26	Ch. an. May 1975	61	15.37	14.53	100
56	26	Ch. an. May 1975	61	15.37	14.53	100
57	26	Ch. an. May 1975	61	15.37	14.53	100
58	26	Ch. an. May 1975	61	15.37	14.53	100
59	26	Ch. an. May 1975	61	15.37	14.53	100
60	26	Ch. an. May 1975	61	15.37	14.53	100
61	26	Ch. an. May 1975	61	15.37	14.53	100
62	26	Ch. an. May 1975	61	15.37	14.53	100
63	26	Ch. an. May 1975	61	15.37	14.53	100
64	26	Ch. an. May 1975	61	15.37	14.53	100
65	26	Ch. an. May 1975	61	15.37	14.53	100
66	26	Ch. an. May 1975	61	15.37	14.53	100
67	26	Ch. an. May 1975	61	15.37	14.53	100
68	26	Ch. an. May 1975	61	15.37	14.53	100
69	26	Ch. an. May 1975	61	15.37	14.53	100
70	26	Ch. an. May 1975	61	15.37	14.53	100
71	26	Ch. an. May 1975	61	15.37	14.53	100
72	26	Ch. an. May 1975	61	15.37	14.53	100
73	26	Ch. an. May 1975	61	15.37	14.53	100
74	26	Ch. an. May 1975	61	15.37	14.53	100
75	26	Ch. an. May 1975	61	15.37	14.53	100
76	26	Ch. an. May 1975	61	15.37	14.53	100
77	26	Ch. an. May 1975	61	15.37	14.53	100
78	26	Ch. an. May 1975	61	15.37	14.53	100
79	26	Ch. an. May 1975	61	15.37	14.53	100
80	26	Ch. an. May 1975	61	15.37	14.53	100
81	26	Ch. an. May 1975	61	15.37	14.53	100
82	26	Ch. an. May 1975	61	15.37	14.53	100
83	26	Ch. an. May 1975	61	15.37	14.53	100
84	26	Ch. an. May 1975	61	15.37	14.53	100
85	26	Ch. an. May 1975	61	15.37	14.53	100
86	26	Ch. an. May 1975	61	15.37	14.53	100
87	26	Ch. an. May 1975	61	15.37	14.53	100
88	26	Ch. an. May 1975	61	15.37	14.53	100
89	26	Ch. an. May 1975	61	15.37	14.53	100
90	26	Ch. an. May 1975	61	15.37	14.53	100
91	26	Ch. an. May 1975	61	15.37	14.53	100
92	26	Ch. an. May 1975	61	15.37	14.53	100
93	26	Ch. an. May 1975	61	15.37	14.53	100
94	26	Ch. an. May 1975	61	15.37	14.53	100
95	26	Ch. an. May 1975	61	15.37	14.53	100
96	26	Ch. an. May 1975	61	15.37	14.53	100
97	26	Ch. an. May 1975	61	15.37	14.53	100
98	26	Ch. an. May 1975	61	15.37	14.53	100
99	26	Ch. an. May 1975	61	15.37	14.53	100
100	26	Ch. an. May 1975	61	15.37	14.53	100

IN FORTS & PAUSE

[illegible]

AMERICANS

Year	Week	£	s	d	Per cents	7d rate	7d rate
1911	1	21	18	31		75	75
1911	2	21	18	31		75	75
1911	3	21	18	31		75	75
1911	4	21	18	31		75	75
1911	5	21	18	31		75	75
1911	6	21	18	31		75	75
1911	7	21	18	31		75	75
1911	8	21	18	31		75	75
1911	9	21	18	31		75	75
1911	10	21	18	31		75	75
1911	11	21	18	31		75	75
1911	12	21	18	31		75	75
1911	13	21	18	31		75	75
1911	14	21	18	31		75	75
1911	15	21	18	31		75	75
1911	16	21	18	31		75	75
1911	17	21	18	31		75	75
1911	18	21	18	31		75	75
1911	19	21	18	31		75	75
1911	20	21	18	31		75	75
1911	21	21	18	31		75	75
1911	22	21	18	31		75	75
1911	23	21	18	31		75	75
1911	24	21	18	31		75	75
1911	25	21	18	31		75	75
1911	26	21	18	31		75	75
1911	27	21	18	31		75	75
1911	28	21	18	31		75	75
1911	29	21	18	31		75	75
1911	30	21	18	31		75	75
1911	31	21	18	31		75	75
1911	32	21	18	31		75	75
1911	33	21	18	31		75	75
1911	34	21	18	31		75	75
1911	35	21	18	31		75	75
1911	36	21	18	31		75	75
1911	37	21	18	31		75	75
1911	38	21	18	31		75	75
1911	39	21	18	31		75	75
1911	40	21	18	31		75	75
1911	41	21	18	31		75	75
1911	42	21	18	31		75	75
1911	43	21	18	31		75	75
1911	44	21	18	31		75	75
1911	45	21	18	31		75	75
1911	46	21	18	31		75	75
1911	47	21	18	31		75	75
1911	48	21	18	31		75	75
1911	49	21	18	31		75	75
1911	50	21	18	31		75	75
1911	51	21	18	31		75	75
1911	52	21	18	31		75	75
1911	53	21	18	31		75	75
1911	54	21	18	31		75	75
1911	55	21	18	31		75	75
1911	56	21	18	31		75	75
1911	57	21	18	31		75	75
1911	58	21	18	31		75	75
1911	59	21	18	31		75	75
1911	60	21	18	31		75	75
1911	61	21	18	31		75	75
1911	62	21	18	31		75	75
1911	63	21	18	31		75	75
1911	64	21	18	31		75	75
1911	65	21	18	31		75	75
1911	66	21	18	31		75	75
1911	67	21	18	31		75	75
1911	68	21	18	31		75	75
1911	69	21	18	31		75	75
1911	70	21	18	31		75	75
1911	71	21	18	31		75	75
1911	72	21	18	31		75	75
1911	73	21	18	31		75	75
1911	74	21	18	31		75	75
1911	75	21	18	31		75	75
1911	76	21	18	31		75	75
1911	77	21	18	31		75	75
1911	78	21	18	31		75	75
1911	79	21	18	31		75	75
1911	80	21	18	31		75	75
1911	81	21	18	31		75	75
1911	82	21	18	31		75	75
1911	83	21	18	31		75	75
1911	84	21	18	31		75	75
1911	85	21	18	31		75	75
1911	86	21	18	31		75	75
1911	87	21	18	31		75	75
1911	88	21	18	31		75	75
1911	89	21	18	31		75	75
1911	90	21	18	31		75	75
1911	91	21	18	31		75	75
1911	92	21	18	31		75	75
1911	93	21	18	31		75	75
1911	94	21	18	31		75	75
1911	95	21	18	31		75	75
1911	96	21	18	31		75	75
1911	97	21	18	31		75	75
1911	98	21	18	31		75	75
1911	99	21	18	31		75	75
1911	100	21	18	31		75	75

ADLINS

[illegible]

FT SHARE INFORMATION SERVICE

4BANKS AND HIRE PURCHASE[illegible]

BUILDING INDUSTRY

[illegible]**DRAPERY AND STORES—Continued**[illegible]**ENGINEERING—Cont.**[illegible]**HOTELS—Continued**

Stock	Price	%	Dis
Isle of Man Assn.	62	—	Q15
Isle of Man Exp.	41	—	Q15
Isle of Man Ship	140	—	Q15
Isle of Man Ship	137	-1	Q15
Isle of Man Ship	32	—	Q15
Isle of Man Ship	122	-2	Q15
Isle of Man Ship	176	—	Q15
Isle of Man Ship	41	—	Q15
Isle of Man Ship	55	-2	Q15
Isle of Man Ship	22	—	Q15
Isle of Man Ship	22	—	Q15
Isle of Man Ship	36	—	Q15
Isle of Man Ship	50	-3	Q15
Isle of Man Ship	21	—	Q15
Isle of Man Ship	21	-1	Q15
Isle of Man Ship	12	—	Q15
Isle of Man Ship	97	—	Q15
Isle of Man Ship	90	—	Q15

INDUSTRIALS (Miscel

[illegible]

Surge 1.0p	35	2.09	1.7
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1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000
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HOTELS & CATERER

Stock	51	+2	—
Adda Int. 10p	81	—	—
Bored (J.) Fr. 100	£95 1/2	—	20 1/2
Brent Walker Sp.	37	—	0 93
Centre Hotels 10p	22	—	gr 15
C.C.H. Invest.	20	-2	53.5
Com Hotels 10p	32 1/2	—	—
C. & H. Hotel Sp.	40	—	00.27
De Vere Sp.	84	-1	33.52
Grand Met. 50p	61	+3	3.24
Do. 10p Can. 51 1/2	£81	+2	Q10 1/2
Manover Gr. Sp.	6	-1 1/2	—

مکذا فی الکامل

[illegible]

